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## The Journal of Commerce

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Our New Debenture Stock and British  
Exchequer Bonds.

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Conditions in the West.

By E. Cora Hind.

Health Insurance.

By J. W. Macmillan.

Canada's Water Powers.

Ontario Fire Insurance Investigation.

Commercial Credits, Collections and  
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New Banking Merger Proposed.

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## The Montreal Tramways

THE recent disclosures in the proceedings of the courts and in other inquiries conducted by judges have given the public abundant reason to look with suspicion upon negotiations at the City Hall respecting the franchise renewal desired by the Montreal Tramways Company. It has been made clear enough that in certain transactions the wishes and interests of the Tramways Company received much more consideration than the interests of the citizens of Montreal. A knowledge of these facts should show the city authorities the necessity for now pursuing a course, in all matters concerning the street railway, that is above suspicion. If there is haste in the making of a new contract, if there is disregard of reasonable precautions for the protection of the public interests, there will naturally be a strengthening of the unfavorable impression that has been created by past events. The negotiations now taking place at the City Hall are hardly assuming a shape that will be satisfactory to the thoughtful public.

In the earlier discussions of the Company's application two things were almost universally acknowledged as essential to the making of any arrangement for a new franchise. One was that before the city authorities could make a new contract they would have to call in the aid of tramway experts of high standing in other cities. The other was that whatever arrangement might be made between the City and the Company would be subject to a referendum, so that the citizens would have an opportunity of voting directly for or against the scheme. There was hardly a dissent in any quarter from either of these things. They were largely taken for granted. Candidates for civic honors put these features forward in their campaigns, and gave the people assurance that this was the way in which the important question would be treated. To-day both these safeguards are being thrown aside. The Board of Control is less qualified than it was a year ago to deal with the question unaided by experts; a former Controller was a man who had had a large experience in tramways construction and operation, a qualification that is not possessed by any member of the present Board. Nevertheless, the Board are proceeding to consider the details of a new contract, and members who seem to speak for a majority announce that they will not trouble themselves to ask the advice of experts, neither will they trouble the citizens with the opportunity of passing upon the arrangement that may be made. The experienced tramways men who represent the Company are the only experts to be consulted. The scheme that may be agreed upon by these gentlemen, so well qualified to look after their own interest, and representatives of the City who are entirely wanting

in tramways knowledge, is to be railroaded through as quickly as possible.

If public opinion in Montreal civic affairs were as keen as it should be there would be indignant protests from the citizens against the course that the business is thus taking. Unfortunately it is not. It may awaken later, when it finds Montreal bound for many years to come to a tramways contract which may give inefficient accommodation at needlessly high rates, while the Company will reap rich dividends on well watered stock.

The Montreal tramway system, under a scheme carefully prepared by competent and trustworthy experts, should not only give the people an efficient service at moderate rates of fare, but should at the same time yield a revenue that would pay the capitalists a handsome return on the real investment and give the City, as a large partner in the business, a proper share of the profits. The present course of events at the City Hall gives little ground for hope that such a scheme will be matured.

The Montreal Board of Trade has now sent a letter to the Controllers suggesting lines upon which a fair arrangement might be made with the Tramways Company, and particularly asking that the assistance of tramways experts be obtained by the representatives of the City. The Council of the Board should give close attention to the negotiations. There may yet be time to prevent the making of an improvident contract.

A representative of the Company has asked the Controllers to remember that whatever is exacted from the Company must come out of the pockets of the people. The reminder is timely, and it should suggest the unwisdom of the kind of arrangement proposed by the Company, who offer certain specified sums to the City for the franchise. If the enterprise is not a profitable one the City should not ask a dollar from it for the City treasury. But if it is profitable, then clearly the City should have its full share of the profit, and not be confined to the sums specified by the Company. It seems clear enough that the Company anticipate, as well they may, a large profit from the enterprise and are planning to give the City as little of it as possible. This may be all right from the Company's standpoint. They will naturally look out for number one. But it will be a very strange thing if the representatives of the City permit any such lop-sided bargain to be made. Under the traffic conditions existing in Montreal there should be no real difficulty in the making of an agreement that would give the people an efficient service, and the Company a handsome return on the fair value of their property, and leave the City and the Company, as partners, to share fairly in any surplus profits that may arise.

## The Submarine Raid

THE raid of a German submarine on the shipping of the Atlantic coast has naturally caused a sensation. Both in England and in Canada appeals are made in the press to the United States Government to do something to prevent such depredations. Regrettable as the raid is from the viewpoint of Great Britain and the Allies, there is reason to doubt whether there is any ground for complaint by the United States authorities. The submarine warship is one of the big inventions which were little known when international laws were formulated. Whenever civilization has a chance to assert itself again at an international conference rules will, no doubt, be made for the future government of such vessels by nations which do not regard all conventions as mere scraps of paper. But until such rules are made Germany may with much force claim that the rules of international law, as applied to ordinary warships, shall be recognized as governing the work of submarines. If these rules are to so apply, it seems probable that the depredations of the submarine off Nantucket last week will be held to be within the law. True, operations of this kind are in effect a partial blockade of American ports. The foreign trade of the United States is carried on very largely in the ships of the Allies, the British shipping particularly. The American merchant marine is still small. If British ships cannot pass safely in and out of American ports American trade must suffer. But while the American Government will clearly see this fact they hardly can make it the ground of any complaint to Germany. British ships are to Germany enemy ships, and the Germans have an undoubted right to destroy them wherever they can be found, except in the waters of neutrals. The only limitation of this right is that which was so infamously disregarded in the case of the *Lusitania*; where the vessel is not a warship, but one engaged in commerce, international law requires that warning must be given to her before she is attacked and that there shall be reasonable opportunity for the saving of the crew and passengers. There often is room for controversy on the point whether adequate provision was made for the safety of the non-combatants. If the attacking vessel has accommodation she should take off the crew and passengers of the ship about to be destroyed. If, as in the case of the submarine, she has not such accommodation, then her commander must see that the crew and passengers of the enemy ship are placed in boats under such conditions as afford them reasonable opportunity to reach land in safety. The recent operations of the German submarine took place at points near the American shore, but outside the three mile limit, and at a time when the water was quite smooth. The crews and passengers in all cases were picked up by ships from the shore. A report that the crew of one vessel had perished has not been confirmed. The probability is that this raid was made close to the American shore to enable the German commander to comply with the rules respecting the saving of life. The one case in which there may be room for complaint is the destruction of the Red Cross liner *Stephano*, plying between New York, Halifax and St. John's, Newfoundland. The *Stephano* was a British ship, but she carried some American passengers. If, as one report alleges, she was torpedoed without warning, that would be a clear violation of the rules and one that would properly concern the United States Government. Apart from that case, which may need

investigation, the commander of the submarine seems to have kept himself within the rules, and therefore the American authorities, while they must realize the disadvantage which their own commerce suffers from the raid, may find in it no ground for action against Germany.

## Special Delivery Stamp

MR. H. E. MARKHAM'S letter in our last issue respecting special delivery postage stamps on letters crossing the border serves a good purpose in pointing out that people who wish to do so can secure the benefit of the special delivery system by providing themselves with supplies of the postage stamps of the country in which the letter is to be delivered. Thus a Canadian correspondent can keep a stock of American stamps and attach a ten cent American stamp to a letter which he wishes specially delivered in the States. In like manner an American correspondent can keep a stock of Canadian stamps to be similarly used for letters to be specially delivered in Canada. But possibilities of this kind do not meet the situation as well as a reciprocal arrangement between the postal authorities of the two countries would. It is not always easy to obtain American stamps in Canada or Canadian stamps in the United States. We are assured that in practice the difficulty we have pointed out exists. Letters from the United States bearing useless American ten-cent special delivery stamps are frequently received at Canadian post offices, and it is highly probable that similar letters bearing Canadian ten-cent special delivery stamps go to the States. A reciprocal arrangement between the two Post Office Departments would make the system available to the general public, who under present conditions are often denied the convenience of the special delivery. Meanwhile correspondents should note the point made by Mr. Markham.

## What Good Roads did for New York State

IN PREVIOUS issues of the Journal of Commerce reference was made to the advisability of building great national highways at the end of the war, partly as an economic measure, and partly to furnish work for returned soldiers. A striking example of the value of good roads is furnished by New York State.

According to Governor Whitman, who quoted census returns, there are some 22,000,000 acres of farm lands in that state. In the decade preceding 1900, the value of these farm lands decreased to the extent of \$87,000,000.00, despite the fact that the largest city on the continent and many other large cities were in the state, and furnished ready markets for everything the farmers could produce.

After a thorough investigation by the state authorities they concluded that the absence of good roads was at the bottom of the stagnant rural condition, and it was decided to spend \$150,000,000.00 on improving the highways of the state. This money was expended, not only in building great state highways, but in constructing branch lines as feeders to the main arteries of commerce. In the ten years following the expenditure of that \$150,000,000.00 on good roads the farm lands in New York State increased \$387,000,000.00 in value. This is a most striking example of what good

roads mean. A decrease of \$87,000,000.00 in one decade was turned into an increase of \$387,000,000.00 in the following decade; the magic change being wrought by the expenditure of \$150,000,000.00 on new roads.

One does not have to be much of a mathematician or economist to figure out whether that expenditure was profitable or not. There is no reason to doubt but what a similar showing could be furnished in Canada, were our legislators induced to expend money on improving the highways of this country.

## Patronage

IN THE British Columbia election campaign, which has terminated successfully for him and his associates, Mr. Brewster, leader of the Liberal party, made a strong presentation of the evils arising from the exercise of what is called "patronage" in the politics of the country, and gave assurances that if his party were placed in charge of affairs the "patronage system" would no longer prevail. Now that he has won the election there will be some curiosity to learn how he will carry out his promise. There is no reason to doubt that Mr. Brewster was sincere in what he said. There may well be doubt, however, as to whether, having had no experience in the art of governing, he quite realized the difficulty of the situation in which he was placing himself. It is beyond doubt that the patronage system has often been so used as to do great harm. One needs an interpretation of what patronage means before subscribing to a general condemnation of it. In the field of politics it means the giving of a preference to one's political friends in the making of appointments to office, and in the distribution of orders for things required. In the case of the furnishing of supplies or the performance of public work the patronage idea can be eliminated to a large extent by the employment of a system of tender and contract, impartially administered. In the case of appointments to office the problem is not so easy of solution. A system of competitive examination for the civil service would go far to do away with patronage in that field. But in the carrying on of the affairs of government there will necessarily be some positions for which such examinations cannot well be held. In these cases the places must be filled by persons chosen by the Government of the day, and in the making of the choice the principle of patronage comes in. Mr. Brewster will be obliged to exercise his discretion in the matter. He will be more than human if, all other things being equal, he does not give a preference to his own political friends. The exercise of patronage in that way is inevitable, so long as the system of party governments exists. And it is not necessarily an evil. If for political reasons, to reward party friends, men are appointed to offices for which they are not fitted by character and qualifications, there is an abuse of patronage which operates to the injury of the public interests. But if men are chosen who are fully qualified by their integrity and ability to discharge the duties assigned to them, and thus to serve the public well, the fact that they have been supporters of the Government of the day cannot be pleaded against the appointments. In such cases there is a legitimate exercise of patronage. Mr. Brewster will probably find that in his zeal to stop an abuse of patronage he has made his condemnation too broad to be sustained in the practical working of the affairs of the Government.

## Our New Debenture Stock and British Exchequer Bonds

The Latter Offer More Attractive Investment. An Issue Here Would Further Canada's Interest

By H. M. P. ECKARDT.

Since the article on the British Exchequer bonds was published, in the October 10th issue of the JOURNAL OF COMMERCE, announcement has been made at Ottawa of a new issue of Dominion Government debenture stock bearing interest at 5 per cent. and redeemable on October 1st, 1919. The stock is to be continuously on sale at the Finance Department at par, and it carries with it the right of conversion at par with accrued interest into any Canadian war loan bonds to be issued in the future. The main purpose is to secure for the use of the Federal Government a goodly portion of such investment funds as may accumulate in the Dominion between the present time and the date of issue of the next round amount which is available for purchase war loan. Thus an investor coming into possession of our national war bonds, can put the money at once into the debenture stock, get a clean 5 per cent. on it until the next domestic loan is made, and then exchange without loss or expense into the war bonds perhaps bearing the same or a higher rate and running for 10 or 15 years or more.

Such an investment should be attractive to institutional buyers, the insurance companies in particular. With reference to the latter some observers have surmised that drastic cutting down of their subscriptions to the last war loan might leave several of them short of Dominion Government bonds in respect to the requirements promulgated in the recent legislation taxing excess profits. For example, if one of the large insurance companies, proceeding on the theory that it would be allotted approximately the amount of its subscription, were to have fixed its application so as to produce on this basis about the amount in Dominion bonds which the company needed to fill out its 1916 requirements, then the allotment on the basis of one-half or one-third of the amount applied for, might leave a considerable shortage, which but for the new issue of debenture stock would have to be covered by means of purchases in the open market. Also other buyers, having their applications cut down in the allotment, would perhaps be compelled to go into the market and buy what they required. Such developments would have a tendency to drive up the quotations for the outstanding bonds; and from the Government's point of view it is to be desired that the demand for its securities should be satisfied by means of further issues rather than through tempting existing holders to sell out on account of rising prices. In this way the issue of debenture stock has a marked tendency to keep the prices of the first and second war loans from rising unduly.

Most financiers will probably agree that the rate of interest on the debenture stock has been wisely fixed at 5 per cent. It would not be advisable to have the stock yield better returns than the long term loans yield to subscribers, because it is to the advantage of the Government to have its securities permanently placed. The 5 per cent. rate is practically the same as that applying to the issues of the Eastern Provinces and of the principal Eastern Cities. It is slightly lower than what the smaller cities of the East and the large cities and provinces of the West have been paying. Thus it should not prevent them getting what capital they urgently need. The rate is, however, a full one per cent. less than can be obtained through buying the new British Exchequer bonds, or the Anglo-French fives as offered in the New York market. With reference to the Anglo-French fives, it has already been intimated, semi-officially at Ottawa, that the Imperial Government has secured the money from New York for the whole of its share of that issue. The United States have provided the cash, and are carrying the bonds. So, when a Canadian investor buys into the issue he gets a good investment to be sure and he contributes to a certain extent towards maintaining British credit abroad, but he does not give the British Government new money for prosecuting the war. It is scarcely correct to assert that his purchase does not benefit the British finances; for it plays its part in sustaining the American market for British bonds and this tends to facilitate the placing of further British loans in New York.

On the other hand the purchase by a Canadian of the new Exchequer bonds constitutes a direct loan of new money to the British Government, and thus

is support for the Empire of a more direct nature. In view of the difference in yield as compared with our new debenture stock, it will be interesting to trace results of an investment in Exchequer bonds.

Demand sterling, at date of writing this article, is 4.75% at Canadian centres. Take it at 4.76 and £200 par value in bonds would cost \$952. The yearly interest would be £12; and with respect to this the rates of exchange prevailing at interest dates would influence the yield. If the interest is converted at 4.76, the yield is exactly 6 per cent. If the rate is less than 4.76, the yield is less than 6—and so on. Then an important consideration is that of the rate of exchange when the bonds mature, in February, 1920. Most of us believe the war will by that time be over, and that the Germans and their Allies will have passed through crushing defeat. If our expectations in this respect are realized, it is quite within the possibilities that gold will be moving back to England and France from the United States; and with a gold movement to Europe in progress sterling exchange at New York and at Canadian centres would perhaps be selling at 4.88 or thereabouts. Now, if the Canadian investor is able to cash his £200 Exchequer bonds in 1920 at 4.88, he would receive \$976—a gain of \$24 as compared with the purchase price. Spreading this over the 3 year period and adding it to the nominal interest, the average annual net return would be roughly 6.80 p. c.—this on the assumption that the coupons or interest payments

are converted into Canadian money at \$4.76 to the pound.

The example shows the possibilities in connection with an investment by a Canadian in the new Exchequer bonds—the return, even if sterling exchange, in 1920 is still at 4.76, being a full 1 per cent. better than on Dominion Government debenture stock. It is understood by Canadian financiers and capitalists that while it is our duty to support the finances of the Empire, yet in doing so we should select a method which specially strengthens and supports the Dominion. If one of our investors, acting independently, cables or sends by mail an order for the British bonds, he truly supports the Imperial interests; but the transaction has no direct effect in improving or sustaining Canada's position. On the other hand should the Finance Minister during his visit in England arrange with the British authorities to the effect that a block of £10,000,000 or £15,000,000 of the bonds be set aside for allotment to Canada, with the understanding that proceeds were to be used to meet bills for munition purchases in the Dominion, then a purchase of the bonds by a Canadian investor would accomplish the two-fold purpose of supporting the Imperial finances and of furthering Canada's interests.

Such an investment, at short date, would not mean locking up our capital—we would collect in three years at the latest. Again, if the operation were put through about December or January, it would not likely interfere materially with the next domestic war loan which perhaps would not be issued until midsummer of 1917 or later. Also, as mentioned in the article of October 10th, the distribution of these bonds among the Canadian public would help us to avoid the danger of over-loading the banks with treasury bills. In the event of such an arrangement being made, the transaction of placing the British bonds here might have better prospects of success if our investors were allowed to participate the chances of gain through rise in sterling quotations.

## Canada's Water Powers

Nearly Eighteen Million Horse Power Available; Only One-tenth Developed

Water power has played a most important role in the industrial development of the Dominion, and with the advances in electrical science, will play an even more important role in the future. Probably no country in the world is more fortunate in the extent and location of its white coal than is Canada. Practically every commercial centre from coast to coast, except only a few in the middle prairie provinces, have abundance of water power available, not only for present needs, but for all anticipated requirements. Indeed, the fortunate location of Canada's water powers is the outstanding feature of her water-power resources.

Furthermore, where there is not sufficient white coal available to furnish energy requirements, there is an abundance of black coal. So far as sources of energy for power producing agencies are concerned, Canada's position is pre-eminent.

Within the provinces of the Dominion of Canada, and excluding the Northwest Territories, practically all of the Yukon, and the northern and eastern portions of Quebec, it is estimated that 17,746,000 horse-power are available, this amount being inclusive, in the case of Niagara Falls, Fort Frances and the St. Mary's river at Sault Ste. Marie, of only the development permitted by international treaties, and, further, does not contemplate the full possibilities of storage for the improvement of present capacities. The developed powers, which are inclusive of all water powers, whether for electrical production, pulp-grinders, for mining and milling, or for the great many other uses, aggregate 1,712,193 horse-power, the distribution throughout the respective provinces being shown in the table hereunder:

Developed Power in Canada.

Province	Horse-power Developed.
Nova Scotia .....	21,412
New Brunswick .....	13,390
Prince Edward Island .....	500
Quebec .....	520,000
Ontario .....	789,466
Manitoba .....	56,730
Saskatchewan .....	45
Alberta .....	33,305
British Columbia .....	265,345
Yukon .....	12,000
Total .....	1,712,193

The extent of the future development can be only limited by the available water powers. Practically

all of the 1,712,193 horse-power enumerated above as developed from water power has been created within the last twenty years, and of this the last decade has seen practically two-thirds of the total produced. If such a rate of increase were projected into the future the 8,000,000 horse-power estimated to be available within range of present markets, will be entirely in use within fifteen years, and even by liberally discounting such a rate of increase, notwithstanding our confidence in being upon the threshold of an inconceivably prosperous future, such a condition of development may be readily approached within a generation.

With water power as a fundamental necessity in the industrial future the regulation and conservation of the river waters is to-day being demanded on a large scale, and this will naturally become more insistent as time goes on. It has been fortunate that, in Canada, the title to the water-power rights have largely remained under the control of the Dominion or Provincial Governments. The Dominion Government controls navigable streams and their water powers throughout the Dominion and the water powers in general of the provinces of Manitoba, Saskatchewan and Alberta. The administration of all water powers in British Columbia, Ontario, Quebec, New Brunswick and Nova Scotia is under respective provincial control.

The administrative policy of the Dominion Government and the various provinces may be readily studied in the five monographs included in a book recently published by the Dominion Water Power Branch, Ottawa. These treat in a "popular" way of the water powers of British Columbia; the prairie provinces of Manitoba, Saskatchewan and Alberta; Ontario; Quebec; and the maritime provinces of Prince Edward Island, New Brunswick and Nova Scotia. While it is impossible to treat in detail of the various sites and power developments existing throughout Canada, the more important are at least described in the most essential features.

These five monographs were originally prepared and published for distribution in connection with the water power exhibit of the Dominion Government in the Canadian pavilion at the Panama-Pacific International Exposition, and particularly for distribution to the members of the International Engineering Congress at San Francisco, September 20-25, 1915.

# Commercial Credits, Collections, and Adjustments

## The Task of the Credit Man and Principles that should Govern His Actions

By T. J. JARMAN.

A consideration of the subject of commercial credits would not be complete without reference to collections, for the expansion of commercial credit contemplates naturally the ability to collect so that, of necessity, a credit man is in a broader sense a collector.

In every day parlance credits and collections are associated together almost as if one, but a third term has been added and we speak of credit collections and adjustments, for happily we are getting away from the so-called knock down policy of making collections and are bringing into collection work more humane ideas, are ministering in many ways to the debtor's needs, are conceding that the best interests of the creditor are served by obtaining the best understanding possible of the debtor's affairs before precipitating action. We are bringing all of the training and resourcefulness of the credit man to bear upon assisting the debtor in getting or keeping on his feet. Constructive adjustment we call it and that is what every credit man should study to bring about.

Now it is doubtful if the plan of making collections through salesmen can well be improved upon if that method is at all practicable. To be successful the plan must be worked out by slow process of education both of the debtor and the salesman. The system involves the ability of the salesman to collect without lessening his influence as a salesman or the consuming of too much of his time.

Of course, the merchant or manufacturer covering a wide territory will, of necessity, resort in a large proportion of cases, to other measures of collection, the form letter published by so-called auditing and credit bureaus, the banks, the collection agencies, local attorneys and traveling adjusters.

In the concern with which I am connected, when a draft is returned from a bank unpaid and there is but one bank in the town, we sometimes send a new draft to the bank, attaching an itemized statement of the account. We allow the bank 1% or 2% or even more of the amount collected, as the size of the amount or circumstances permit, often taking the banker into our confidence by giving him the full facts. This process takes the item out of the realm of the ordinary draft. Frequently the bank, as a result of a carefully worded letter, with a little extra effort and time will succeed at small cost where an attorney might not be able to collect short of suit, if at all. It is policy often to address the cashier rather than the bank itself, and when once the collection is referred to the bank copies of dunning letters thereafter addressed by the house to the debtor are sent to the bank with the explanation that they are written to aid the bank in making the collection and are not designed to interfere with its handling of the item.

We have to remember that the banker is human and demands ordinary consideration and courtesy, and our experience is that when these are accorded he will render the best services. It must be remembered that the bank may have a half dozen or more drafts against the same debtor at the time our matter has been referred to it and the purpose of our letters is to induce the bank to single out our draft for the exercise of its particular efforts.

As to the relative merits of using the collection agency or sending business direct to attorneys, past experience of the credit man will govern. Formerly the responsible collection agency laid great stress upon the fact that it protected its clients against dishonest attorneys, that if an attorney collected the money and failed to account for it the agency would make good, but now, with attorney's lists usually accompanied by like guarantees, this point is not so well taken.

If a collection agency is used it should be one in which the credit department has every confidence, and should be made, to all intents and purposes, an adjunct of the credit department. One of the best tests of the problem whether a particular agency gives good services is whether it makes frequent voluntary reports as to the progress it is making, for a collection agency which does not do this offers the credit grantor little chance of making suggestions from time to time. Most agencies operating in the northwest are alive to the need of making frequent

reports as an index of the thoroughness of their follow-up system.

Our experience has been that when the business of the house is scattered over a large territory it is a good plan to select a firm of attorneys at each central point and turn over to this firm all matters in the general locality. Through years of satisfactory dealing together the house and the attorneys will establish the closest business relationship. We have found it frequently advantageous for traveling salesmen to realize that they have this firm of attorneys always within comparatively easy reach in case of emergency.

The point which every credit man should strive to reach is not only to make his department a bureau for acting on orders as they come from the sales department, but an agency for increasing the volume of sales and becoming a living force in the upbuilding of the business, a department recognized by the heads of the house not simply as a necessary evil, but a live producer. Departments should become credit investigators, not only acting in their judicial capacity of passing on credits, but seeking to develop within themselves the capacity and inclination to advise customers along the best lines of financing their business, of taking up with them before it becomes too late, the tendency to credit over heavily, of urging customers to reduce their stocks if excessive, and performing those other services which will suggest themselves to the credit man who is resourceful in seeking to keep accounts permanently on his books.

In handling adjustments the credit man must make a mental picture of all of the essential physical surroundings of the debtor's business, his traits and his tendencies. Though acting largely upon the testimony of others, he must come to conclusions as sure and accurate as though he were on the ground. A traveling adjuster, after visiting a customer, will frequently be startled to find how accurately the credit man at the desk had sized up the situation. This faculty is hardly short of magic in the eyes of the outside observer.

The large house has its traveling adjuster and a credit department does well to limit itself to the employment of one or two men whose familiarity with the policy of the house will insure a judicious handling of the customers. This representative, by his handling of the accounts must reflect the real attitude of the house towards its customers, must accomplish the purposes of his visit with the least possible friction and even more, must regain the confidence of the customer if it has been impaired.

An adjuster's life is not an easy one. Possibly he has been on the road constantly for several months, has visited on the average six or seven customers a week, meeting at each point new situations and meeting them when tired out mentally and bodily because of continued daily strain so that, sometimes he is hardly in fit condition to run up unexpectedly against critical situations.

Consider his position under these conditions, when he runs into an account which is large and upon examination of the books and the debtor's resources finds him top heavy, perhaps seriously involved, though with a chance of pulling through if there is proper coaching. Perhaps the true situation is understood by none other in the world but the adjuster, even the dealer, though he has been given a knowledge of the facts not understanding their import, or if he does realize them, standing at bay with his back to the wall, or taking that other attitude of thorough discouragement. All these conditions of mind have to be met, analyzed and used by the adjuster in determining what policy he shall pursue.

Naturally, it is the duty of the adjuster to protect the interests of his own house but there are two ways of doing this, first, by acting wholly without regard to the debtor's interest, on the principle of "anything to get money," or, recognizing that he owes the debtor a duty. With this latter feeling he forgets for the moment that he is over-wearied, pulls himself together, and gives the debtor all the help he consistently can to smooth out his troubles. The prompt holding out of the helping hand, the constant carrying out of generous policies, the hearty hand shake, the catering to the customer's likes and

dislikes, the going out of one's way to do the customer a favor, have been great factors in the development of large houses of the northwest, and the adjuster from the credit department has been, to a large extent, the instrument through which these things have been done.

Again, consider the credit investigation. A credit department has, we will say, placed a limit of \$2,000 on a particular account. That limit has already been exceeded. The credit man instructs the adjuster to size up the debtor and investigate his affairs thoroughly and make recommendations for the future handling of the account. The adjuster follows instructions and gets information which justifies advising that the line be increased say to \$3,000. Sometimes to warrant increasing the line or continuing the former line, the adjuster takes security, for the purpose is to retain on the books an old and tried account, to endeavor under one arrangement or another to place the house in a position to furnish the customer all the goods he needs in its line. Such an account once lost through the failure of the credit department to care for the needs of the merchant intelligently, leaves the house without representation in that town for many years. The point that the adjuster has to bear down upon is to determine whether there is any future in the customer or if he is doomed to failure whatever is done.

No treatment of the subject of constructive adjustments would be complete without making some reference to the trust deed. There has been some criticism of this method on the ground that the making of the trust deed might well have been avoided and the debtor being solvent encouraged rather to arrange for a general extension without the appointment of a trusteeship, or by well directed advice be enabled to overcome his temporary embarrassment by getting a little outside assistance and continuing substantial injury to his credit.

No one denies that every encouragement and assistance should be given a debtor to keep his affairs in his own hands. Admitting that the trust deed should be treated as a last resort, it is a fact that the plan of arranging a general extension without taking a trust deed is more easily worked out in theory than in actual practice. There come times with any house which has numbers of large or carrying accounts when the problem is presented point blank, "Shall we advise the making of a general assignment or take a chance and give the debtor time?" In the long run the actual results will show that it is better to err on the side of taking a chance, but when it is once decided that a debtor's affairs are going from bad to worse, and that there is no remedy, it is better both for the debtor and his creditors that there be an immediate winding up of his affairs.

Finally, if we believe in the credit system as at present conducted we must at all times be prepared to give our best efforts to maintaining and making the credit system serve its highest usefulness by accommodating it in our every day practice to the spirit and needs of the times. Our houses are not charitable institutions; they are conducted for profit, but the spirit of general belief and helpfulness exercised by the credit department towards the customers of the house is by no means in compatible with this, but may be turned into a valuable asset. The effect upon ourselves will tend to strengthen and broaden us for greater usefulness. The retail dealer early takes note of the broad-minded credit man, he has little use for the grouch. He will at times ignore terms and even prices in order to do business with a credit man whose personality has appealed to him.

The credit man should be searching in his self examination to determine his duties not only to his house but to customers of the house, and the more he recognizes the principle involved in constructive adjustments, broadly speaking, by applying it to his every-day problems so far as may be, the more will he find his efficiency increasing with satisfied customers and increase in the volume of sales, with no greater percentage of losses on the average.

### TRAVELLERS' FEES IN ARGENTINA.

Uniform license for commercial travellers to be valid throughout Argentina has been instituted by Congress. Licenses that may be authorized according to the law will be transferable, on condition that the successor of the original licensee prove to the competent authority that he represents the same houses and the same line as his predecessor. The commercial traveler will have the right to sell samples of commercial value without a special importer's license, but is not to sell them as merchandise. Samples without commercial value are to be exempt from import duty, and the provision authorizing the temporary free admission, under bond, of other sample articles is continued in force.

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# Health Insurance

## Safeguarding the Health of the Nation Should be of Vital Importance in the Consideration of Post-Bellum Problems

By J. W. MACMILLAN.

Keeping far and away within the minimums, we calculated, in a recent article, that Canada's bill for sickness was more than eighty millions a year. This is a purely commercial estimate and leaves out of view all the suffering of body and soul which the invalids and their relatives endure.

Any person will be moved by his own suffering. And any person (except a war-mad Teuton) will be moved by the sight of suffering. But very many people, in this individualistic and financial era, are not moved by any description of suffering. They must feel, or at least see, in order to be motivated by pain. They account an appeal based on a story of hardships and distress as so much sentimentalism, a kind of pathetic bosh for which they entertain a lordly contempt.

But it is possible to outwith these unimaginative and matter-of-fact people. We can get around their flank, so to speak, by pointing to the eighty millions of waste. For they are peculiarly susceptible to financial calculations. That waste is just so much human machinery to be discarded and replaced. It is just so much human material spoilt for consumption and thrown in the ashbarrel.

### State Health Insurance.

Other countries discovered this condition before Canada did. Quite a number of the nations of Europe, including Great Britain, have known it for several years. There are signs that the United States is becoming aware of it too. And the device which these nations appear to prefer as the Method of fight—the disastrous morbidity is State Health Insurance.

Nothing else is comprehensive enough. Other schemes have been tried, some of them in our own Dominion. They have been more or less successful in abating illness and countering its devastations, but none of them have grasped the situation in its entirety. They have been at best but partial and palliative, and their chief value will probably be reckoned in future years to have been that they served to awaken public interest and show how the thing could not be done.

Commercial health insurance appears to be a particularly expensive way of recouping loss due to illness. Fraternal orders do not reach the lower paid workers. Trades Union benefits go only to their members, who are the more highly skilled and better paid workers. There remains the public ward in the hospital and free dispensary. These too are partial, being quite insufficient to meet the need in times of prevailing sickness. And, worst of all, they are charity. The poor accept them with reluctance, and count it a disgrace to be helped that way.

State health insurance, as normally carried out, provides for a system of medical prevention and cure without fees. Under this system there is provided the necessary medical care, drugs and supplies, cash benefits and relief from financial stress during illness; and funeral benefits. It is paid for jointly by the government, employers and employees, and is compulsory.

The American Association for Labor Legislation deals exhaustively with the question in a recent number of its quarterly Review. It shows itself a vigorous advocate for health insurance in the United States and submits a tentative draft law.

The American Medical Association has taken up the study of health insurance. It has had a committee at work upon it for two years. This committee has opened an office in New York and engaged the services of a health insurance expert. Naturally it is concerned to preserve the dignity and perquisites of the medical profession. But it recognizes that the movement is bound to grow, and, indeed, it shows a creditable largeness of spirit in its dealings with it. The Medical Association acknowledges the defects of the present haphazard way of treating the diseases of the people and declares that the efforts of the fraternal orders and other voluntary agencies have been unfair to the medical profession.

### Britain's Compulsory Law.

It is only five years since Great Britain enacted a compulsory health insurance law and two of those have been years of war. It is quite probable that later legislation after peace has come again, will amend this act in certain features. It has had harsh critics and there were obstacles in the way of its working smoothly. But it is apparent that the law

is to be improved, not repealed. Even a taste of its benefits has been enough to guarantee its being continued. An official investigating commission declares, "Already there are indications that as a result of the rest obtained under the act a better condition of health has in certain cases been attained than has been experienced for many years."

It appears that compulsory health insurance compels interest in sanitation. It pays the employer to reduce the mortality and morbidity rates. The monthly assessment is worth thousands of sanitary inspectors.

The whole antituberculosis movement has been strengthened. There is increased use of certified midwives through the provisions of the maternity benefit. Cities like Bristol and Manchester report a diminution of pauperism, and attribute it to health insurance. An incidental benefit of extraordinary value is that the medical relief, unlike the practice under the Poor Law, is administered in the home, and thus aids in preventing the breaking up of homes.

The chief indirect result, however, is the contribution it makes to the cause of health conservation. It shows the state, as it does the employer, that it is financially profitable to prevent and cure sickness. Factory inspection is developed. Preventive medicine is stimulated. Popular education on the prevention of disease is extended.

A wage earner, with a family to support on an income of less than \$1,000 a year cannot finance a serious illness in his home. (And very many honest workmen in Canada earn much less than \$1,000 a year.) If he himself chance to be the victim, so that the loss of income is heaped upon the cost of the sickness, the burden becomes a crushing one. All the poverty statistics make sickness one of the main causes of pauperism. Thus the bill of costs is ultimately mulcted against the community, which is forced to pay it, and does pay it ten times over, in the loss consequent on a productive unit having become dependent, and all the entail which pauperism creates.

And back of the acute illness lie the minor ailments, which the wage earner usually neglects and does nothing to prevent. These come to a surprising bulk when added together, and are beside the first warnings of more serious troubles. The "common colds" are the eggs which neglect hatches into many kinds of deadly disease. Doctor Gulick is "inclined to believe that something like nine-tenths of all the minor ailments that we have, and which constitute the chief source of decreasing our daily efficiency, could be removed by careful attention. With the removal of nine-tenths of our disabilities and the conservation and further development of our natural powers, the average person can increase his efficiency 100 per cent, that is, he can be twice as effective.

Mobilization of resources is one of the watchwords of to-day. Royal commissions are preparing schemes for the revival and extension of trade and production by means of great co-operations. The State is extending its paternalistic arm into regions which were considered, not long since, the sacred and inviolable precincts of individualism. And no one invokes the shades of Bentham and Cobden in protest. The war is teaching us some sharp lessons as to the crude, slovenly and wasteful methods of the past. It should not be forgotten, as we organize for post-bellum enterprises, that the chief capital and resource of a nation is the citizens of that nation themselves.

### MAJOR A. F. MANTLE KILLED.

Last week's casualty lists reported Major A. F. Mantle of Regina as killed in action. Major was Deputy Minister of Agriculture for Saskatchewan, having been appointed to that position at the early age of 27. The Manitoba Free Press, editorially has voiced the sentiment of the entire west as to the loss of this brilliant young officer and official: "The death of a man like Frank Mantle illustrates the savage, senseless wastefulness of war. We question whether there was in the whole of Western Canada a life that was more valuable to the community. He was already a recognized leader in the great movement of progressive agriculture, in which the whole future of Canada is involved; with every prospect of attaining a position of still greater eminence and authority. Now he is gone, with his work unfinished, his splendid promise unfulfilled."

### GOVERNMENT CROP ESTIMATE.

#### Second Annual Provisional Estimate by Census Bureau.

The Census and Statistics Office has published the second or provisional annual estimate of the yield of the principal grain crops of Canada in 1916, a statement of the quality of these crops at the time of harvesting and the condition of root crops on September 30th.

#### Yield of Principal Grain Crops.

In general the reports of correspondents on September 30th confirm those of a month ago, but the average yields per acre are for most crops somewhat less. The reports also indicate that the areas estimated to be unproductive of grain are if anything larger than those already deducted; but pending further inquiries no change has been made in the harvested areas as reported last month. The results now provisionally estimated are a total yield of wheat of 159,123,000 bushels from a harvested area of 10,085,300 acres, a yield per acre of 15.78 bushels as compared with 29 bushels last year and 15.67 bushels in 1914. The total yield of oats is now placed at 338,469,000 bushels from 9,795,000 acres, a yield per acre of 34.55 bushels, as against 45.76 bushels last year and 31.12 bushels in 1914. The yield of barley is 32,299,000 bushels from 1,328,800 acres, or 24.31 bushels per acre and of rye 2,058,500 bushels from 101,420 acres or 20.30 bushels per acre. For the three prairie provinces the estimated yield of wheat is 138,542,000 bushels, of oats 232,409,000 bushels, of rye 659,000 bushels, of barley 22,862,000 bushels and of flaxseed 7,707,000 bushels. The yields of remaining crops are reported for the first time this year as follows: peas 2,166,000 bushels from 150,280 acres, beans 541,400 bushels from 32,500 acres, buckwheat 6,720,000 bushels from 341,500 acres, flaxseed 7,759,500 bushels from 710,000 acres, mixed grains 10,333,000 bushels from 397,770 acres and corn for husking 6,271,000 bushels from 173,000 acres. For peas, beans, buckwheat, mixed grains and corn for husking these acreages represent the areas actually harvested after deduction from the areas sown in Ontario and Quebec of proportions estimated to have been entirely unproductive through drought.

#### Quality of Grain Crops.

Correspondents were asked to report on the quality of the grain crops at the time of harvest, as measured against a standard of 100, representing grain well headed, well filled, well saved and unaffected to any appreciable extent by frost, rust, smut, etc. The average results for the whole of Canada are as follows: Fall wheat 78, spring wheat 68, all wheat 70, oats 75, barley 72, rye 84, peas 66, beans 74, buckwheat 71, mixed grains 74, flax 76 and corn for husking 67. In Manitoba the quality of spring wheat is 44 per cent., in Saskatchewan it is 60 and in Alberta it is 73. The estimates of quality are high in the Maritime provinces and in British Columbia, the average for Canada being reduced by rust in Manitoba and Saskatchewan, and by drought in Quebec and Ontario.

#### Condition of Root and Fodder Crops.

The condition of root fodder and crops is about the same as a month ago, the average points in percentage of a standard or full crop ranging for all Canada from 71 for potatoes and sugar beets to 77 for fodder corn.

### JUTE AND HEMP.

According to latest advices from New York there prevailing with the manufacturers still inclined to look on and await developments. In this policy they were confirmed by the heavy tone to the cheaper grades of Manila, which are freely offered from the primary points. The high grades, however, are scarce and firm. As regards sisal, there is no change in the price as yet resulting from the change in the management of the commission, 10% being still accepted on small orders. Istle is quiet and nominal.

Nothing new was said on jute, for which the demand continues dull. There is a fair inquiry for the mills here and some business is passing at steady prices. Calcutta is not doing much cabling and offers are not pressed.

	per lb.
Manila hemp, current spot . . . . .	0.12
Shipments . . . . .	0.11½
Midway shipments . . . . .	0.15
Sisal hemp shipments . . . . .	0.10%
Isle of Palma . . . . .	0.03½ 0.03%
Tula . . . . .	0.03% 0.04
Juamava . . . . .	0.04%
Jute, October . . . . .	0.07%

## Mentioned in Despatches

Professor S. Lambros, of the University of Athens, is the latest individual to assume the premiership of Greece. According to the Allies he is a colourless individual and has surrounded himself with an ultra-neutral group. It is extremely doubtful if such a man and such a cabinet will hold office any longer than its predecessor. Lambros is a professor of history in the University of Athens and while familiar with the economic and political history of his country has had little or no political experience.

Sir William Robertson Nicholl, editor of the British Weekly, has come out very strongly in favor of doing everything possible to retain the friendship of the United States. Robertson Nicholl is one of the most powerful journalists and one of the most influential men in Great Britain, not only wielding a trenchant pen through his influential and widely circulated non-conformist paper, but is an effective speaker and a close student of political and social conditions. Nicholl was born in Scotland in 1851, and educated at the University of Aberdeen. For a while he was in the ministry, but later gave up the church for literary work. He is the author of a score or more books, but is best known through his connection with the British Weekly.

Prince Alexis Orloff, who has just died in Paris, was Military Attache of the Russian Embassy to France. He belongs to what is probably the oldest, richest and most influential family in Russia, the Orloffs being the favourites of the famous Empress Catharine. They did much to add to her power, while she in turn endowed them with lands and other forms of wealth. The Prince who died in Paris was a son of Prince Nicholas, who was Russian Ambassador to Paris for twenty years. The founder of the Orloff family is said to have been a soldier in the mutinous Strelitz guard, which Peter the Great found it necessary to wipe out of existence. Ivan Orloff was marching to his doom—something with boiling oil in it—with such an air of contemptuous defiance that he caught the attention and struck the fancy of Peter the Great, who spared his life and enlisted him in his own guard, promoting him by degrees until he rose to the rank of general.

Mr. C. E. Neill.—The planned absorption of the Quebec Bank by the Royal Bank of Canada is due to the constructive work of Mr. C. E. Neill, the general manager of that institution and one of Canada's most progressive bankers. Like so many of our men in financial, educational and industrial spheres, Neill comes from "way down East." He was born in Fredericton in 1873, educated in that city, and then as a lad entered a bank. He made rapid progress and eventually became manager of the Royal Bank of Vancouver, then superintendent of branches, then chief inspector, assistant general manager, and then general manager at the first of the year. He is one of the youngest men in Canada to occupy such a prominent position, but won the post through sheer ability and hard work. Despite his marked success he is unspoiled, being totally devoid of "side." Much of the marked success of the Royal Bank during recent years is traceable to his efforts.

Col. Isaac Newton Lewis. — Away back twenty years ago an American military officer offered the United States Government an invention of a dial telegraph, which he had patiently worked out. His project was turned down, but not discouraged he came back four years later with a design for a new field gun. A second rebuff failed to discourage him and he came back a few years later with a range finder. Then a half dozen years ago he offered them a machine gun, but again the powers that be at Washington turned it down, declaring that the Lewis Machine Gun was no good. As even a worm will turn this fourth rebuff soured Col. Isaac Newton Lewis and he resigned from the United States Army, went to England, and quickly sold his machine gun to the British Government. To-day more than thirty thousand Lewis machine guns are in the service of the British Army, and a few days ago Lord Hugh Cecil, speaking in the House of Commons, said, "It is a weapon that is the envy of all Europe." Lewis to-day is a millionaire, but the ironic part of it all, in so far as the United States Government is concerned, is that they have begged the British Government to sell them two hundred Lewis Guns in order that they might be prepared to meet the Mexicans.

Brig-Gen. Philip Howell, who has just been killed at the front in his thirty-ninth year, was one of the youngest generals in the British Army, but by no means the least prominent. Although but a young man he had seen a great deal of active service especially in India, had won the D.S.O. and had played a big part in the fighting which has taken place during the present war. His death is a further confirmation of the fact that the British officers "lead" their men.

Capt. H. C. Kinred, who was recently awarded the Military Cross, doesn't deserve to be alive, but thousands of people throughout the Empire will pray that his life may be spared. Kinred was walking along a trench when a huge bomb came over and fell near seven soldiers who were fast asleep. He knew that he would not have time, even if he were able, to throw it over the parapet, so without a moments hesitation he threw himself full length upon it in an effort to smother the explosion. No sooner had he lain on it than it exploded and blew him clean out of the trench, severely wounding him. He would probably have been killed but for the fact that he was wearing a steel waistcoat. His self-sacrificing act well entitles him to the Military Cross and any other honors which his country can confer upon him. The seven soldiers were uninjured.

Marquis Paty de Clam.—The Dreyfus case will again be recalled to public attention through the death of Marquis Paty de Clam. At the outbreak of hostilities the Marquis, who was sixty-three years of age, joined a regiment as a private, although he previously held the rank of colonel. During the fighting he showed such heroism that he was promoted and given the Legion of Honor. He was twice seriously wounded, the last time before Verdun. Four of his sons are fighting at the front, two of them having been seriously wounded. The Marquis was head of the intelligence division of the War Department when the Dreyfus trial took place and was one of the bitterest opponents of Dreyfus, being thoroughly convinced of his guilt, but time has healed the differences between the two parties and to-day both are fighting at the front on behalf of the Mother Country.

Lieut. John Jacka, an Australian, enjoys the unique distinction of being the only man in the British Empire to win the Victoria Cross on two occasions. Jacka's exploits read like a fairy tale. He joined the Australian infantry as a private and went with his battalion to Gallipoli, where he took part in the fierce fighting which characterized that campaign. On one occasion he attacked ten Turks single-handed and killed or took prisoner every one of them. For this he was awarded the Victoria Cross, the first Victoria Cross to go to an Australian in the present war. Later, on the Somme front Jacka, while in charge of a forward trench charged 600 Germans with seven men. The Australian hero has been described by his commanding officer as a model of what a soldier should be so the exceptional honour which he has brought to Australia was well deserved. Our cousins from the Australian Commonwealth have, been doing exceptionally well at the front.

Capt. Dumas.—For the most part war makes its levy on the young men of a country, but occasionally a man far past the military age succeeds in eluding the vigilance of the recruiting sergeants and gets onto the firing line. A surprising case has just come to light in connection with Capt. Dumas, who has just been killed on the Somme, aged sixty-eight years. As a young man of nineteen he commenced fighting as a Zouave, when he was wounded. He later fought through the Franco-Prussian War of 1870, in Algeria, Tunis, on the Ivory Coast, in the Soudan, Morocco, and the Transvaal. When the present war broke out, then sixty-six years of age he tried to enlist, but was turned down by the French authorities. He managed, however, to enlist in the Belgian Army, was made prisoner, but escaped in time to take part in the Battle of the Marne, where he received six wounds. On his recovery he went to the Dardanelles, then to the Vardar Valley, where he was again wounded. He next appeared on the Verdun front and again figured in the casualty list. As soon as he was able he rejoined his regiment and took part in the Somme offensive, where he died from the effects of the tenth wound he received in his career.

Harold Bell Wright, whose book, "When a Man's a Man" is regarded by many as one of the best published on this continent during the year, is in his prime. He was born in New York State in 1872. He worked his way through college and then entered the ministry, but literature soon claimed him and a string of books has flowed from his pen during the past few years. "When a Man's a Man" is a story dealing with the West, undoubtedly one of the most virile, healthful books which has appeared in a long time.

Col. the Hon. Guy Baring, an officer in the Goldstream Guards and a Member of Parliament, has just been killed at the front. Col. Baring is one of the famous banking house of Baring Brothers, a firm intimately associated with the financial and political history of Great Britain. This man's grandfather, the first Lord Ashburton, the real founder of the Baring family, started the house on its international banking career by lending \$8,000,000 to the French Government after the defeat of Napoleon in 1815. Since that time the family has been most prominent in the banking world.

Capt. the Hon. Rupert Guinness, M.P.—Up to the present time Canada has not participated in the naval defences of the Empire, due largely to the fact that the Laurier Naval Policy was defeated by the Borden Government and nothing done to take its place. Now a belated effort is being made to recruit 2,000 Canadians for the Imperial Navy, and Capt. the Hon. Rupert Guinness, M.P., is touring the Dominion in an effort to secure men. Guinness was born in London in 1874, and has all his life been associated with nautical matters. At Eton and Cambridge he was famed as an oarsman and added to his reputation when he won the diamond sculls at Henley. He served through the South African War with a hospital unit. Undoubtedly Great Britain is finding that the immense number of ships required to patrol her coasts brings about a shortage of men, and she is anxious to have Canada contribute to the naval defences of the Empire. An interesting point is that Canadian pay instead of British pay will be given the men.

Mr. W. R. Hearst.—Canadians will be pleased to learn that William Randolph Hearst has received a well merited rebuke from the British Government, who have forbidden the International News Service the use of the British cables or mails. This service, of which Hearst is the head, has been sending out false stories regarding the war. Hearst is the father of yellow journalism and as editor of a half dozen violently partisan papers in the United States wields an immense influence in the neighbouring republic. Hearst is generally credited with having stampeded the American people into war with Spain, and during the present war is one of the few English speaking publishers in the United States who has shown a pro-German tendency. Hearst was born in San Francisco in 1873 and educated at Harvard. On two occasions he ran for mayor of New York, but was defeated and met with a similar fate when he tried to become Governor of New York state. He wields a pernicious influence through his papers.

Mr. N. S. Dunlop.—If it be true that the man who makes two blades of grass grow where one grew before is a public benefactor, then N. S. Dunlop, head of the floral department of the Canadian Pacific Railway Company, is a benefactor a hundred fold. He has made the C. P. R. System from Halifax to Vancouver blossom as a rose. Dunlop, who is now forced to take a prolonged rest, is known as the Father of the Safety First movement on Canadian railways, head of the Company's insurance, tax and claims department, but best known as the creator of the Company's floral department. Years ago Mr. Dunlop was a country school-teacher, and becoming impressed with the barrenness and dreary look of the average country school, planted flowers and shrubs in the school grounds where he taught and encouraged his pupils to carry on a like work at home. Later when he became connected with the Canadian Pacific Railway he carried the same scheme into effect and from his own garden sent out seeds and bulbs to station agents along the line. The movement grew until every station yard and every brakeman's shack from Atlantic to Pacific has been beautified as a result of the seeds and bulbs sent out by Mr. Dunlop. He is an ardent lover of nature. The tens of thousands of people who have travelled along the C. P. R. and have been gladdened by the basis will sincerely wish that the creator of these beauty spots may soon be restored to health. Mr. Dunlop has been with the C. P. R. for the past twenty-nine years.

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## Public Opinion

### WOMEN IN TROUSERS.

(Victoria Daily Colonist.)

Among the unexpected effects of the war seems likely to be something in the nature of a revolution in the dress of women. So many of the female sex are now employed in Great Britain in avocations where skirts are awkward if not actually dangerous that the desire to wear trousers when not at work, is becoming very common and is being acted on. Fashionable women have for some time felt that they were justified in wearing trousers when on horseback, not only with a covering skirt, but without one. There seems to be a very general revolt against skirts that encumber their wearer. Whether or not the movement will extend far enough to do away with the use of skirts altogether is a matter of doubt. Most people with good taste would regard the passing of the skirt with regret, for by no stretch of imagination can trousers be regarded as graceful garments. It seems possible, however, that hereafter women will feel free to discard skirts when they see fit, while retaining them as a distinctly feminine garment obligatory on certain occasions. Already many working girls in Great Britain, who wear trousers during the day, decline to put on skirts after their work is done.

### COLLEGE MEN WHO HAVE ENLISTED.

(Ottawa Journal.)

Does not a peculiar pathos attach to a list of the killed among young university men, who were on the threshold of life full of vigor both physical and mental, looking forward with keen intellectual anticipation to the exploration of the future? *Morturi Salutamus!*

"How beautiful is youth! How bright it gleams  
With its illusions, aspirations, dreams!  
Book of Beginnings, Story Without End,  
Each maid a heroine, and each man a friend!  
Aladdin's Lamp, and Fortunatus' purse  
That holds the treasure's of the universe,  
All possibilities are in its hands.  
No danger daunts it, and no foe withstands;  
In its sublime audacity of faith,  
"Be thou removed!" it to the mountain saith,  
And with ambitious feet, secure and proud,  
Ascends the ladder leaning on the cloud."

### THE CANADIAN INVESTMENT FIELD.

(The Wall Street Journal.)

Consider the Canadian position at close of the war. Pressure of the British government for war loans will tend to liquidate the market there as it has the London exchange, and prices will be low. Even now Toronto is borrowing at 5%, Dominion fives are on a 5% basis, and ultra-conservative securities like Ontario fives of 1920 and New Foundland fives of 1919 are on about a 4.90 basis, while city of Edmonton, a good western municipality, has bonds outstanding on a 5.90 basis that are due in 1921.

The basis of Canada's riches is fertility of her soil, and no freak of warfare can injure that, while her grain will increase in demand as population of the world grows. Farm labor has not tended to unionize and even if it could, the Canadian system of deferring strikes pending investigation has shown itself of incalculable value. Her banking system is tried and of proved worth. As an investment field, Canada is worthy of consideration.

### MEN WHO MOUNTED.

(London Spectator.)

The parliamentary head of the army, the Secretary of State for War, and so the president of the Army Council, is Mr. Lloyd-George, and he is proud to be known as the son of a poor school teacher, who has raised himself by his genius to the exalted position which he now occupies. And the military head of the army, the chief of the Imperial General Staff, who controls the operations of our five million men all over the world, Sir William Robertson, who was also a poor man's son, and entered the army as a private soldier. If these two cases do not prove that in England we have a career open to talent, nothing will.

### THE REDISCOVERY OF HOME.

(Chicago Tribune.)

Summer cottages are being boarded up, summer hotels are closed, the asters droop in the desolate gardens, and folk are rediscovering home. Home may be a mansion with a complicated domestic policy, or it may be a flat in which no serving maid has set her autocratic foot, but home is home, be it ever so many stories up in the air, and in returning to it one has a feeling of satisfaction that amounts almost to elation. The very lares and penates at which one had, last spring, looked with almost reproachful eyes, now assume fresh grace, and one no longer laments the day that one acquired them. The privacy and order, the convenience and snugness of home, which last June appeared so burdensome, even so superfluous, now fit in with one's desires and inclinations. The leaping fire on the hearth is as a living symbol of home; the book-laden table and the reading lamp tempt one to reject the proffered hospitality of friends, even though one's own hospitable instincts are vigorously awakening. One wishes to extend invitations, not to accept them. The house still echoes a little from lack of use. Therefore laughter must be solicited. The polish on the floors will be all the better for dancing feet; the very chairs and tables seem to cry out for association.

Few things are more piteous than a deserted house, and few occupations more heartening than bringing one back into the cheerful domestic scheme of things. To hang the curtains is a sort of rite; to lay the table is an invitation; to place flowers in the favored spots is to decorate one's heart as well as one's home. Those who lament the death of poetry in life really confess to their own lack of appreciation. The elements of poetry cannot escape us. They are bound up with our daily observances, and to perceive and enjoy them requires only a conscious awareness of the deep beauty of everyday things. The song of the autumn wind and the answer of the fire on the hearth are poetry enough to content any one who can feel the difference between the essentials and the nonessentials.

### THE STATESMAN'S GAME.

(New York Post.)

War is the statesman's game, wrote the bitter poet of a hundred years ago, but could he write it now? Would he not have to admit that the statesman's game today is golf? Asquith, Lloyd George, Balfour give it as their favorite recreation. And American public men simply could not live without it. The links will do for them whatever they want in a physical way. If Taft desires to reduce weight by 100 pounds or so, he devotes himself to golf and the thing is done. Hughes comes back from a speaking tour worn out and with a "ragged" voice, and flies to the links to build himself up. President Wilson counts that day lost when he cannot get in a round to make him forget the cares of office and the curses of his opponents. Only the Colonel abstains. "Not a man's game" was his contemptuous description of golf. But he may yet be tempted to beat his spear into a niblick. What a sight for gods and men it would be—the Colonel struggling to get his ball out of a deep trap!

### WILSON'S LITERARY FAULT.

(Toronto Star.)

The literary instinct has been a hindrance to President Wilson. It has led him into writing letters when he should have called a policeman. It has caused him to coin phrases that people cannot forget and will use against him, such as his own "watchful waiting," and "too proud to fight." These words, used as he used them, ornamented his deliverances, but used by his enemies against him, they are capable of a derisive use that is very destructive.

### ACTIVE AND PASSIVE NEUTRALITY.

(Toronto World.)

There would have been no trouble and no complaint about German submarines in American waters, had the United States Government taken the same stand as Holland has done. Holland stated her position shortly after the war began, and refused access to Dutch ports or waters to the warships of any of the belligerent nations, except under stress of weather or damage, or when by reason of distance from their bases they needed food or fuel.

### THE THRIFT FARMER.

(From the Washington Post.)

Financial journals have recently taken up the cudgels for the farmer, dissipating the growing suspicion that the tillers of the soil have been succumbing to the temptation of sudden prosperity and burning up much gasoline in joyriding.

The evidence that has been gathered shows that the farmer has lost none of his thrift. While it is true that the purchases of automobiles for the rural districts are enormous, it has been found that many of the farmers are using the motors for farming purposes.

The rural demand for merchandise and material is about normal, considering the buying power of the farmer, but his standard of living has advanced in pace with the improved standards of farming.

A banker dealing in farm mortgages points out that the supply of mortgages is about as usual, but that more persons want to purchase them. The only alleged extravagance that has been uncovered against the farmer is to be found in the sudden increase in the automobile trade in the farming sections, and the financiers have definitely concluded that the tillers of the soil are saving more in time than the cost of upkeep and gasoline. The farmer is as thrifty as ever. He is turning the luxuries of the city into the necessities of the agricultural section.

### KULTUR AND SCIENCE.

(Mail and Empire.)

German kultur is again to the fore in the exploit of an aviator who dropped foodstuffs infected with cholera germs in a Roumanian town. It has already to its credit such actions as the poisoning of wells in German South-West Africa, the plot to infect French soldiers with the tubercle bacilli, and other heinous offences against international law. In the opinion of an English scientist, the militarism of Germany and the science of Germany spring from the same source, and he says that he fears the one as much as the other. . . . Letters that have appeared from time to time from German scientists and philosophers and educationists and preachers show that this German spirit pervades all ranks and is by no means confined to the military caste. In the face of this evidence it is hypocritical folly to say that we are not fighting the German people, but some vague and pernicious idea that has taken possession of the military leaders of Germany. We have had too much German worship in this country in the past, and even now there are efforts on the part of some pacifists to restore the shattered fetich.

### WHAT THE LETTERS SHOW.

(Boston News Bureau.)

A nation at war can divide her people into four parts—those who are always ready to fight, those who can be stimulated to fight, those who will not fight, and those who will run away or surrender.

Germany, with casualties approaching 4,000,000, has lost the stronger part of her fighting material and the numbers at the bottom do not count except in the census.

In the Verdun fighting this year, the French have gathered thousands of letters from the German dead. A volume of them have been photographed and published, and every letter is one of despair.

Is it possible that Germany has awakened to this situation? It is not conceivable that Germany can today consider a surrender. This is what the outside world demands of Germany—surrender of militarism, possibly of the Hohenzollerns, and certainly of the territory which she has invaded under no right of either God or man.

### ADOPTING PRISONERS.

(Vancouver Daily News-Advertiser.)

The custom of adopting Canadian prisoners of war is worthy of acceptance. A person or group of persons undertakes to provide for one or more Canadian prisoners in Germany. This plan makes it certain the prisoners adopted will be supplied from time to time with necessary articles of food and clothing. For example, six prisoners have been adopted by the Cowichan ladies who send forward regularly the means to provide for the soldiers in captivity. In another place a few persons are taking care of one adopted prisoner. If this plan were generally adopted it would go a long way.

# AMONG THE COMPANIES

## RUSSELL MOTOR CAR COMPANY.

The huge profits being made by some Canadian concerns manufacturing munitions are clearly indicated by the financial statement presented by the Russell Motor Car Company, of Toronto, for the year ended July 31st last. The company entered its 1914 year with a balance on the right side of profit and loss of \$38,307. The trading losses, necessary writing-off for depreciation in plant, and for the development work in connection with the Knight engine, and Knight Motor cars produced a deficit over the 1914 and 1915 period of \$772,073.

In the 1916 year which ended on July 31st last the company's trading profits were sufficient to set aside an unnamd amount for the war tax, and leave a balance of \$499,354. This reduced the deficit in the profit and loss statement carried into the present year to \$204,009.

In the meantime, however, the actual position of the company has changed materially. The provisions for depreciation and reserve even in the bad years were always substantial, and when October last year the company's motor factory and equipment were sold to Willys-Overland, Limited, the Russell Company was left in a position to make very generous provision for depreciation in its remaining property.

In the balance sheet just issued with the annual report the item of real estate, which at the beginning of the year stood at \$456,252, is reduced to \$67,000. The item of "patents and good will," which was down at \$264,228, has disappeared. The deal with Willys-Overland meant an investment of \$1,366,915, which now represents the only interest of the Russell Company in the motor car industry. Beyond reporting that the Willys-Overland business has shown a large increase over the total volume done by the two separate companies a year ago, and that the outlook is for a further increase, the statement gives no information as to the earnings of the investment.

Having devoted itself to war orders the company leased three premises in addition to its own, and its present orders, which are largely for time fuses, will require the operation of these plants to capacity for several months.

The year's earnings of \$499,354, after war tax, is equal to 41.61 per cent. on the \$1,200,000 of preferred stock upon which 22½ per cent. in dividends will be owing at the end of this month.

The principal items of the balance sheet for this year and for the two-year period ending July 31, 1915, compare as follows:

Assets.	1915.	1916.
Cash .....	\$ 34,429	\$ 4,118
Bills receivable .....	743,336	409,335
Investments .....		1,366,915
Stock inven.....	1,056,033	846,287
Real estate .....	456,252	67,117
Machinery.....	599,414	903,093
Patents .....	264,228	
Profit and loss.....	*703,363	*204,009

(\*—Deficit.

## TIMISKAMING MINES CO.

A decrease in cash and a large increase in silver are the chief features of the Timiskaming Mines statement for the quarter to September 30, 1916, just issued, cash since the last statement showing a decrease of \$145,000, while silver on hand shows an increase of 205,000 ounces, or about \$135,000 worth. Part of the decrease in cash is explained by the payment of \$75,000 in dividends on July 22nd. A similar dividend is to be paid next month. Comparisons follow:

	Sept. 30	June 30.
Bullion in storage, oz.....	566,963	311,923
Ore at smelters, oz.....	108,905	90,276
Ore bagged at mine.....	31,419	100,089

Totals .....	707,287	502,288
Cash on hand.....	\$25,074	\$170,219

With respect to development the report says: The main shaft has reached a depth of 1,325 feet. We have approximately 300 feet farther to sink before the lower contact between the diabase and keewatin formations is encountered, when lateral development will be commenced.



MR. T. A. RUSSELL,  
Vice-President and General Manager Russell Motor  
Car Company, Limited.

## ST. LAWRENCE FLOUR MILLS.

Profits amounting to \$132,497 were recorded by the St. Lawrence Flour Mills Co., for the year ended August 31st. The annual meeting of the company was held in Montreal last week, and it is understood that the financial statement gave satisfaction, no details being announced.

Deductions were: \$21,365 to take care of the previous deficit; bond interest, \$16,551; bond discount written off, \$750; organization expenses written off, \$2,500; preferred dividends, \$40,215, a total of \$81,381. The surplus remaining, \$51,116, represents earnings at the rate of 4.3 on the common stock.

The balance sheet shows total assets amounting to \$2,488,339, in which is included \$532,087, covering real estate, buildings and machinery. Accounts receivable after providing for bad debts is down at \$310,237, and stocks on hand amount to \$359,797. Investments total \$7,500, and cash on hand \$1,321. Special account, property, good will, etc., is down as \$1,200,000.

The company has \$574,500 preferred shares outstanding and \$1,200,000 common shares, and \$249,750 six per cent. bonds. Accounts payable amount to \$44,807, sundry credits, \$222,386, and bank loans stand at \$139,352.

The board of directors was re-elected as follows: G. A. Grier, President; T. Williamson, vice-president; C. J. Fleet, Sir Rodolphe Forget, and A. E. Labelle.

## CANADIAN MUNICIPAL ISSUES.

Municipal issues this year to date as compiled by the Canadian Bank of Commerce are as follows:

	1916.	1915.
January .....	\$4,887,752	\$ 2,324,667
February .....	3,219,769	10,451,029
March .....	1,833,369	9,916,151
April .....	3,383,415	14,769,292
May.....	7,413,120	4,281,740
June .....	13,525,398	2,889,328
July .....	4,604,758	1,850,443
August .....	1,042,590	553,615
September .....	1,161,742	10,148,093

Totals.....\$41,071,913 \$57,184,358  
Issues of \$100,000 and over during September were Edmonton, \$563,000; Cartierville, \$100,000; Grand Mere, \$231,927,539.

## PARAGRAPHS.

Kerr Lake Mining Company in September produced 203,074 ounces of silver compared with 244,029 ounces in August, 211,062 in July, and 181,244 ounces in September, 1915. Total production for nine months of 1916 was 1,919,732 ounces of silver.

The Manville Asbestos Co., Limited, will increase its directorate from five to six members, of whom three shall form a quorum. The company's head office has been transferred from Montreal to the town of Asbestos, in the County of Richmond, Que.

## NEW COMPANIES.

The following companies obtained Federal incorporation last week:

The White Company, Limited, Toronto, \$40,000, automobile repairs.  
Millinery Company, Limited, Montreal, \$30,000.  
Maxville Creamery, Limited, Ottawa, \$40,000.  
Ocean Steamship Company, Limited Montreal, \$200,000.  
Pressed Metals, Limited, Toronto, \$60,000.  
In liquidation: The Cement Products Company, Limited, Quebec, E. F. Wurtelle, liquidator.

The following companies have received Provincial incorporation during the week:

ONTARIO: Canadian Molybdenite, Limited, Toronto, \$100,000; Grand's Typewriter Supply, Limited, Ottawa, \$40,000; Pure Fruit Products, Limited, Toronto, \$40,000; The National League for the Prevention of Spinal Curvature, Toronto, to conduct and encourage research work in connection with spinal curvature, F. P. Millard, W. E. Blake, V. E. Hart, Ethel Lamme and Emily Brett, incorporators; A. D. Garrie and Company, Limited, Toronto, \$40,000, automobile agents; W. E. Gallagher Printing Company, Limited, Kitchener, \$15,000; The Walker Automobile Supply Company, Limited, Hamilton, 40,000; S. S. Institute Publications, Limited, Toronto, \$40,000; Collieran Spring Bed Company, Limited, Toronto, \$40,000; The Anglo-American Hotel Company, Limited, Toronto, \$4,500,000, Sir Henry Pellatt, E. F. B. Johnston, G. P. Schofield, H. C. Cox, and others incorporators; The F. F. Dalley Co., of Hamilton, Limited, surrendered charter.

QUEBEC: The Crethan Co., Limited, Montreal, \$20,000; Just Motors, Limited, Montreal, \$40,000; Acme Hat Manufacturing Co., Limited, Montreal, \$20,000; Laurie Amusement Co., Limited, Montreal, \$10,000.

ALBERTA: The Merchants' Consolidated, Limited, Winnipeg, \$250,000; N. W. Importers and Distributors, Limited, Calgary, \$10,000; Leamington Company, Limited, Edmonton, \$50,000; The Woodland Lumber Co., Limited, Edmonton, \$20,000; The Northern Alberta Holding Co., Limited, Edmonton, \$60,000.

SASKATCHEWAN: Producers Commission Co., Limited, Saskatoon, \$20,000; Mazenod Flour Mill Co., Limited, Mazenod, \$50,000; Chalmer's Motor Sales Co., Limited, Saskatoon, \$20,000; The Esterhazy Oil Co., Limited, Esterhazy, \$1,600; Union Farms, Limited, Moose Jaw \$20,000; Radville Farmers' Store, Limited, Radville, \$20,000.

BRITISH COLUMBIA: Farm Lands Investment Company, Limited, Vancouver, \$50,000; J. S. Patterson & Company, Limited, Vancouver, \$10,000; Coast Copper Company, Limited, Trail, \$1,000,000; Canadian Robert Dollar Company, Limited, Vancouver, \$40,000; Young & Gore Tugboat Company, Limited, Vancouver, \$40,000; Quatsino Trading Company, Limited, Vancouver, \$20,000; Western Sandstone Co., Ltd., Vancouver, \$25,000; Molly Gibson Burnt Basin Mining Company, Limited, (no personal liability), Rossland, \$1,000,000; Mathers & Powis, Ltd., Vancouver, \$10,000 Universal Car Company, Limited, Vancouver, \$10,000; C. E. Disher and Company, Limited, Vancouver, \$25,000; Pacific Steel Company, Limited, Vancouver, \$100,000; Midway Ranch, Limited, Vancouver, \$100,000; Marine Life-saving Company, Limited, Vancouver, \$10,000; Lummi Bay Packing Company, Limited, Vancouver, \$10,000; Canadian Metals & Equipment Company, Limited, Vancouver, \$25,000.

## DONNACONA PAPER COMPANY.

It is stated that a syndicate of newspaper publishers of Paris are negotiating for the purchase of the Donnacona Paper Company, at Donnacona, Que. The syndicate failed some time ago to secure control of the Remington Paper and Power Company's group of mills near Remington, N. Y.

The French interests were unable to get permission from the Government boards of France to send money from that country to the United States in time to close the deal before their option expired.

The Donnacona mill is a new mill, having been in operation but a year. It has an output of one hundred tons of paper a day. Owner of the St. Regis and Gould Paper Companies, is president of the Donnacona company, with Walter N. Kernan, of New York, vice-president.



# AMONG THE COMPANIES

## OGILVIE FLOUR MILLS CO., LTD.

The financial statement presented to the shareholders of the Ogilvie Flour Mills Co., Limited, covering the year ended August 31st last, was a decidedly satisfactory showing of the year's business. After payment of bond interest and preferred stock dividend and making provision for the Dominion Business Profits Tax for a two year period earnings are shown at the rate of 25.4 per cent. on the common stock. What the actual profits for the year were is not shown as the amount put aside to meet the Profits Tax for the two years, while known to be considerable, is unstated.

A year ago two sets of profits were shown, from "flour account", and from "other sources", the latter amounting to \$1,059,813, while profits available for common stock dividends amounted to \$1,379,594. Such comparisons as can be made of the profit and loss figures of the past three years are presented in the following table:

	1916.	1915.	1914.
Trad. profits .....	\$ 600,780	\$581,943	
Other profits .....	1,059,813		
Total profits .....	\$1,660,594	\$581,943	
Bond interests .....	141,000	132,000	
Net profits .....	\$774,270	\$1,519,594	\$449,943
Preferred dividends ..	140,000	140,000	140,000
Balance .....	\$634,270	\$1,379,594	\$309,943
Common dividends. . .	300,000	200,000	200,000
Surplus .....	\$334,270	\$1,179,594	\$109,943
Prev. surplus .....	512,060	582,466	472,523
Total surplus .....	\$846,330	\$1,762,060	\$582,466
Contingent account ..	1,250,000		
Net surplus .....	\$846,330	\$ 512,060	\$582,466

(\*)—After making provision for the war tax for two years to August 31st, 1916.

### Accumulated Capital.

In commenting on the year's returns, Mr. W. A. Black, vice-president and managing director, pointed out that, while the earnings were about 25 per cent. on the common stock, "it must be remembered that our reserves represented by contingent account, 1,250,000, and profit and loss balance as on August 31st, \$512,060, are also capital, and taking this into consideration, it makes the return about 18 per cent." In further explanation, Mr. Black added:

"While we were not as fortunate in having as large an amount of wheat to sell at much enhanced prices, as happened last year, we were more fortunate than in average years in our purchases. We also profited largely in the increase in returns which we received from our investments in business other than flour milling. Our interest charges for borrowed money have been much less owing, of course, to the large capital now invested in our business which has been accumulating for some years past out of surplus earnings."

As to earnings outside of the flour business, some statistics given by the president, Mr. C. R. Hosmer, in the directors' report, are significant. Mr. Hosmer notes that twenty-one buildings had been added during the year to the company's system of country elevators, making a total of 163 elevators, with a storage capacity of 5,385,000 bushels. Including terminal elevators the company's total wheat storage capacity now amounts to 10,335,000 bushels. With the demand for storage facilities as keen as it was last year, the company's investment in this elevator system must have yielded very satisfactory returns.

The balance sheet of the company, while showing less spectacular changes than a year ago, is a very strong document. Current assets at \$4,238,878 compare with current liabilities of \$1,848,861, leaving a surplus as working capital of \$2,440,017. Last year current assets were \$3,146,451 and liabilities \$838,379, leaving a surplus of \$2,308,072. Cash on hand is somewhat less than a year ago, but large at \$486,406; investments are more than double at \$593,904. The chief increase, however, is in inventories which are up from \$694,452 to \$1,460,872. These, says a note in the auditors' report, are "valued on a safe and conservative basis, taking into consideration the unusually high price of wheat and the contingencies of the markets." On the side of liabilities there is an increase from \$718,129 to \$1,628,611 in accounts pay-



MR. W. A. BLACK,  
Vice-President and Managing Director, Ogilvie Flour Mills Company, Limited.

able, a natural corollary to part of the increase in current assets.

Comparisons of leading figures of the balance sheets of the past two years follow:

	1916.	1915.
<b>Liabilities.</b>		
Accounts payable .....	\$1,628,611	\$ 718,129
Accr. interest and dividends...	220,250	120,250
Pension fund .....	115,000	100,000
Bonds .....	2,350,000	2,350,000
Preferred .....	2,000,000	2,000,000
Common stock .....	2,500,000	2,500,000
Contingent account .....	1,250,000	1,250,000
Surplus .....	846,330	512,060
Totals .....	\$10,910,192	\$9,550,440
<b>Assets.</b>		
Cash .....	\$ 486,406	\$ 667,820
Bills receivable .....	429,217	335,285
Accounts receivable .....	1,291,101	1,179,603
Inventories .....	1,460,872	694,452
Equipment .....	27,375	45,265
Investments .....	593,904	224,025
Do. Pension Fund .....	94,560	70,086
Plants, etc. ....	6,526,752	6,333,901
Goodwill, etc. ....	1	1
Totals .....	\$10,910,192	\$9,550,440

## LAKE SUPERIOR CORPORATION.

In response to a strong request from the Directors and leading Shareholders, Mr. J. Frater Taylor has temporarily rejoined the Board of the Lake Superior Corporation and has again accepted the Presidency. Mr. Taylor joined in time to preside at the annual meeting held last week in Camden, N. J. Asked as to the President's views on re-organization the Secretary stated that, as there appeared to be some misconception, he would quote Mr. Taylor who said—"My own opinion is that a re-organization of The Lake Superior Corporation, possibly by a reduction of the capital stock, may be desirable sooner or later. You will have noted the large sum of \$47,974,556 which still appears unreduced in the balance sheet. We must deal with this drastically." The Algoma Steel Corporation, the principal subsidiary of the Lake Superior Corporation, is stated to be doing well.

Developments at the Copper Mountain property of the Canada Copper Company are understood to be proceeding satisfactorily. At Greenwood, B. C., the smelter has been in continuous operation during the entire year, and up to September there were produced 3,455,578 pounds of copper, 8,555 ounces of gold and 33,096 ounces of silver. At the present price of copper, operations are said to be netting a satisfactory profit. With the exception of a few small payments, not due until the end of the year, the entire Copper Mountain property is owned outright by the company.

## LAURENTIDE POWER COMPANY.

Final arrangements have been completed for the operation of the new Laurentide Power Company, a subsidiary formed by the Laurentide Paper Company. The new company will be operated by the Shawinigan Water & Power Company.

The Laurentide Power Company has a capitalization of \$7,500,000 par value of 5 per cent. first (closed) mortgage bonds due 1946 and \$10,500,000 of common shares. The ultimate capacity will be approximately 180,000 horsepower.

Among the contracts already closed is one of the Laurentide Paper Company. This contract is a 50-year one and calls for delivery of 25,000 horsepower and an option under the same contract to take an additional 12,500 horsepower any time before July 1, 1918; the Shawinigan Water & Power Company has entered into a 50-year contract for the purchase of 50,000 horsepower, of which it has now taken 25,000 horsepower, and is required to take the remaining 25,000 horsepower as to 15,000 horsepower on or before July 1, 1917, and as to 10,000 horsepower on or before July 1, 1918. The Shawinigan Company has an option to July 1, 1918, on an additional 37,500 horsepower and a further option on 12,500 horsepower is given to the Laurentide Paper Co. if not exercised by it.

## BRITISH COLUMBIA PAPER ENTERPRISES.

The Colonial Pulp and Paper Mills (Ltd.) has acquired control of pulp properties at Quatsino Sound on Vancouver Island and is proceeding with the erection of a large plant, the first unit of which will have a capacity of 60 tons a day. Seventy-five men are now engaged at Quatsino, clearing land for the building sites and constructing wharves, etc. Plans are completed for the plant and are now in the hands of the company, as are also the plans for a large number of dwellings for the workmen who will be engaged in the industry. The mills, docks, wharves, and dwellings at the town site will combine to make a completely organized and modern industry. When the Quatsino property reaches a capacity of 120 tons per day the plant will employ 600 men. On the first unit, which will be completed within 14 months, between 300 and 400 men will be employed.

The Empire Pulp and Paper Mills (Ltd.), capitalized at \$2,500,000, has taken over the old Swanson Bay pulp-wood manufacturing company, where a few years ago a pulp mill was started and operated for a short time. At Swanson Bay the overhauling of the plant is now under way. It is proposed that the plant shall be brought up to a capacity of 30 tons of sulphite fiber daily. This amount of product will employ 300 men.

## RAILROAD EARNINGS.

Gross earnings of the three principal Canadian railroads for the first week of October are the largest reported for any seven days of the current year, but comparisons suffer from the fact that this time a year ago earnings were expanding very rapidly. There is still a gain of \$360,164, or 7.5 in the aggregate, as compared with the first week of October, 1915. Grand Trunk makes the chief contribution to the gain. Comparisons follow:

	1916.	Increase.	P.C.
C.P.R. ....	\$2,966,000	\$ 51,000	1.7
G.T.R. ....	1,319,090	299,264	29.3
C.N.R. ....	857,400	9,900	1.2
Totals .....	\$5,142,490	\$360,164	7.5

## DOMINION POWER AND TRANSMISSION COMPANY.

Gross earnings of the Dominion Power and Transmission Co., Ltd., for the month of August amounted to \$238,530, an increase of \$29,755 over the same month last year; net of \$112,080, an increase of \$19,525; and a balance after charges and reserve appropriations of \$65,715, an increase of \$17,818.

In the eight months of August 31st the company has earned a surplus balance after charges and reserve appropriations, the sum of \$443,458, against \$303,474 in the same period of 1915, an increase of \$139,984, or 46 per cent.

# BANK OF MONTREAL

Established 1817

Capital Paid Up	- - - - -	\$ 16,000,000.00
Reserve Fund	- - - - -	16,000,000.00
Undivided Profits	- - - - -	1,321,193.00
Total Assets	- - - - -	390,421,701.00

## BOARD OF DIRECTORS:

SIR VINCENT MEREDITH, Bart., President

R. B. ANGUS, Esq.	E. B. GREENSHIELDS, Esq.	SIR WILLIAM MACDONALD,
Hon. ROBERT MACKAY,	LORD SHAUGHNESSY, K.C.V.O.	C. R. HOSMER, Esq.
A. BAUMGARTEN, Esq.	C. B. GORDON, Esq.	H. R. DRUMMOND, Esq.
D. FORBES ANGUS, Esq.	WM. McMASTER, Esq.	

## Head Office, MONTREAL

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

Bankers in Canada and London, England, for the Government of the Dominion of Canada.  
Branches established throughout Canada and Newfoundland; also in London, England, New York, Chicago, and Spokane.  
Savings Department at all Canadian Branches. Deposits from \$1. upwards received and interest allowed at current rates.

A GENERAL BANKING BUSINESS TRANSACTED

## Correspondence

### FARMERS PLAN HEARING ON LIVESTOCK MARKETS.

Editor, Journal of Commerce.

Permit me to call to the attention of your readers through the columns of your paper the fact that the Fourth National Conference on Marketing and Farm Credits will be held in Chicago, December 4-9 at the Hotel Sherman.

This Conference for the past four years has been doing a great educational work along the line of better business methods for the sale of farm products and the improvement of farm finance.

As Chairman of the general committee I am instructed to ask every farmers' organization interested in these subjects to select delegates to attend the winter meeting. And I am also instructed to extend an invitation to every farmer in this land to come to the Conference if he can do so. We desire to have the greatest gathering of farmers in the history of America come to the winter Conference.

The program will be so organized that the delegates who come will have opportunity to do the talking and working most of the time. Very few speeches will be delivered.

The great feature of the marketing section will be the hearing on the livestock industry. Representatives of ranchmen, farm feeders, co-operative shipping associations, farm buyers, commission men and publishers of livestock papers will be invited to confer as to methods of obtaining better markets for livestock.

This section will also deal with the whole milk question; the co-operative marketing of grain—local, terminal and export; improvement of marketing of farm produce—the auction system, methods of supervision, improvement of containers and grades, and disposal of surplus products.

The farm credits will hold Conferences on the workings of the federal farm loan act; on ways of aiding land settlement by turning tenants into home owners, and by providing for the landless man; on the immigrant question in relation to agriculture; and on the great problem of improvement of banking accommodations for the tenant farmer who must borrow money to carry on his farm operations.

It would take too long to tell all the good things that are in store at this Conference. Those desiring to know more should drop a postal to Secretary Charles W. Holman, 230 South La Salle St., Chicago, asking him to send the free booklet about the Conference.

FRANK L. McVEY, Chairman,  
President the University of North Dakota.

### FRENCH TRADE BANK.

Cabled reports from London last week stated that French capitalists propose to form an institution very similar to the British Trade Bank, announcement of which was made some time ago. The capital of the French institution will be between 25,000,000 and 50,000,000 francs, and the purpose of the institution will be to assist French trade after the war. The interests behind the new bank expect to have the support of the French Government.

## Britain's September Trade

British Board of Trade figures for the month of September show an increase of £7,202,000 for imports and an increase of £11,169,000 for exports.

Increase in imports were noted in food, £3,750,000, and raw material, £5,500,000. Of the latter amount £2,500,000 was in cotton and £1,500,000 was in oils and fats. Manufactured articles decreased £2,000,000.

The principal export increases were in coal, £1,000,000, and in manufactured articles, £9,000,000, of which £3,500,000 were in cotton textiles and £1,500,000 in woolens.

Cotton goods exported in September aggregated 461,698,000 yards, against 409,809,000 yards in September, 1915. The exports of cotton goods to the leading foreign countries compare as follows (in yards):

	1916.	1915.
United States	5,648,000	3,766,000
India	144,081,000	176,185,000
China	38,000,000	24,002,000
Netherlands	6,167,000	3,506,000
France	6,723,000	17,512,000
Egypt	28,124,000	22,127,000
Central and South America	63,265,000	65,340,000
Dutch East Indies	23,409,000	12,120,000
All other countries	146,281,000	85,451,000

Totals . . . . . 461,698,000 409,809,000  
The following table shows the trade of the United Kingdom in September, 1916, compared with the same period in 1915:

	1916.	1915.
Imports	£ 77,488,000	£ 70,286,237
Exports	43,478,000	32,308,432

Excess of imports . . . . . £ 34,010,000 £ 37,977,805

	1916.	1915.
Imports	£ 714,578,000	£ 644,095,185
Exports	379,328,000	282,746,686

Excess of imports . . . . . £ 335,250,000 £ 361,348,499  
The following table gives the trade of Great Britain for the year to date, by months, compared with the corresponding months of last year and the previous year.

	Imports.		
	1914.	1915.	1916.
January	£ 68,005,009	£ 67,246,391	£ 74,948,241
February	62,053,651	65,200,472	67,348,243
March	66,947,315	75,462,049	86,092,894
April	61,626,830	73,638,582	75,685,362
May	59,099,290	71,008,588	83,814,530
June	58,281,653	76,008,588	87,036,349
July	59,376,484	75,723,767	76,772,371
August	42,342,707	69,400,919	76,116,834

September	45,006,607	70,286,237	77,488,237
October	51,379,435	67,816,406	.....
November	55,518,130	71,622,274	.....
December	67,316,898	70,326,915	.....

Total for year. £ 696,635,113 £ 851,893,350

Exports.			
January	£ 67,806,165	£ 28,247,592	£ 36,757,167
February	41,261,797	26,176,937	36,335,782
March	44,518,661	30,176,066	37,598,119
April	39,946,822	32,169,733	36,817,339
May	59,099,290	71,600,894	83,814,530
June	58,281,653	76,008,588	87,036,349
July	44,405,380	34,721,511	46,323,057
August	24,211,271	32,438,855	47,720,323
September	26,674,101	32,308,432	43,477,432
October	28,601,815	31,968,965	.....
November	24,601,619	35,639,166	.....
December	26,278,928	33,947,519	.....

Total for year. £ 430,721,357 £ 384,868,448

### INVESTORS' REFERENCE.

The 1916-17 issue of "Investors' Reference," a resume of the latest available information concerning prominent companies whose securities are dealt with in Canada, published by A. E. Ames and Co., of Toronto, has just been received. The information is concise and of value as a source of reference.

ESTABLISHED 1832

Paid-Up Capital  
\$6,500,000



Reserve Fund  
\$12,000,000

TOTAL ASSETS OVER \$100,000,000

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

# THE BANK OF NOVA SCOTIA

# The Canadian Bank of Commerce

ESTABLISHED 1867

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

HEAD OFFICE --- TORONTO

## BOARD OF DIRECTORS

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

## BRANCHES IN CANADA

44 in British Columbia and Yukon. 88 in Ontario. 81 in Quebec. 129 in Central Western Provinces. 23 in Maritime Provinces.

## BRANCHES AND AGENCIES ELSEWHERE THAN IN CANADA

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

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

## SAVINGS DEPARTMENT

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

### More Munition Orders

Munition orders are undoubtedly the basis of the wave of prosperity that has covered Canada during the past year or more. Figures, made public last week by the Imperial Munitions Board, of the value of such orders placed in Canada since the outbreak of the war, show that we have received orders amounting to \$550,000,000, and that since the beginning of the current year orders amounting in value to \$185,000,000 have been given out in Canada. This latter includes an order for munitions to the value of \$60,000,000 which has just been received. Contracts are now being placed.

During the months of July and August the output from Canadian industries was interrupted by reason of the difficulty experienced in procuring the necessary steel and forgings. The board is now pleased to state that, due to the efforts put forth by manufacturers, the output on most contracts is now more satisfactory and increasing in volume each week.

The quantity of shrapnel shells now produced each week complete with cartridge cases, fuses, primers and propellant charge has reached almost 250,000 per week and the board has been authorized within the past week to place continuation orders for this size of shell into 1917.

Large orders were placed during last spring and summer on the larger sizes of shells, especially 8-inch and 9.2. This involved complete new installation of machinery and equipment. Deliveries of this equipment were slow, but many of these plants have now commenced operating and the output of larger-sized shells is increasing each week and will continue to increase until about January 1st, when the maximum output of these plants should be reached.

The position in Canada in regard of steel, the basis of all munitions work, is now such that no interruptions in output will likely take place, as the immense tonnage required for all classes of shells has been arranged well ahead. The fuse plant built by the board at Montreal has now reached a capacity of 10,000 per day and by January 1st will reach 25,000 per day.

The policy of the board in placing new business

### THE MONTREAL STOCK MARKET.

With the exception of a half dozen stocks every one listed on the local exchange showed declines during the past week. There are, of course, a number of reasons for the decline. In the first place stocks, both here and in New York, had a marked advance and a healthy reaction was about due. There was also the peace talk, the operations of the German submarine off the American coast and other minor causes all of which contributed their quota to the bear side.

A sharp break occurred in New York on Monday when the local market was closed (Thanksgiving Day) and the effect of that slump was evident all week on both the Wall Street and Montreal markets.

Despite the general set-back of the past week the "Street" continues bullish and not without reason. Reports from milling and other industrial corporations show large earnings and also very satisfactory bank balances. New war orders promise to keep our munition makers working to capacity, while railroad earnings, bank clearings and other trade barometers all point "fair." The fact that a further munition order for \$60,000,000 will shortly be placed in Canada will mean much to war stocks.

The strongest stocks during the week were Canada Cement, which expects a big share of the new orders; Canadian Cottons, Penman's and Lyall. The weak issues were Laurentide, Dominion Steel, and Shawinigan.

The sales for the week with comparisons follows:

	— Week ending —	
	Oct. 14.	Oct. 7.
Shares .....	30,605	82,968
Mines .....	2,075	.....
Bonds .....	\$118,400	\$215,200
Unlisted .....	950	2,137
Do., bonds .....	\$123,500	\$5,000

will be to keep all plants now producing munitions fully employed, and where increased production is required on any particular class of work to extend the operations of plants which are already equipped and producing munitions.

### CANADIAN BANK CLEARINGS.

Total clearings of Canadian banks for the week ended October 12th showed an increase of 20.8 per cent. over the corresponding period last year. Winnipeg was the only centre that reported a decrease in clearings. The following shows comparative returns and percentage gain or loss over last year:

Cities.	1916.	1915.	P.C. Inc.
			or Dec.
Montreal .....	\$70,159,431	\$51,784,575	35.5
Toronto .....	43,634,612	32,697,178	33.4
Winnipeg .....	39,672,482	43,780,541	*8.7
Vancouver .....	5,879,350	4,830,110	21.7
Ottawa .....	4,766,096	3,526,798	35.1
Calgary .....	3,809,031	3,466,109	9.9
Quebec .....	3,750,555	3,201,154	17.1
Hamilton .....	3,243,583	2,719,759	19.3
Regina .....	2,908,425	2,076,405	40.0
Edmonton .....	2,116,360	1,149,851	41.6
Halifax .....	2,049,018	1,820,493	12.6
London .....	1,812,839	1,555,672	16.5
Victoria .....	1,562,668	1,104,381	26.2
St. John's .....	1,555,343	1,212,745	24.2
Saskatoon .....	1,353,231	1,266,006	6.9
Moose Jaw .....	1,059,933	829,664	27.7
Brantford .....	733,226	510,845	43.5
Lethbridge .....	592,632	374,958	58.0
Brandon .....	572,987	465,559	23.1
Kitchener .....	532,774	.....	.....
Fort William .....	514,868	384,637	33.3
Sherbrooke .....	512,503	.....	.....
Peterboro .....	474,927	349,763	35.7
Medicine Hat .....	393,640	235,376	65.9
New Westminster .....	249,300	204,370	21.9
Totals .....	\$192,865,137	\$159,740,034	20.8

(\* )—Decrease.

A statement in the Vancouver Province to the effect that the assets of the Bank of Vancouver, apart from the claim against shareholders for double liability, would be sufficient to meet the debts of the bank, has been followed by a correction, evidently from high official authority, in which it is stated that it is quite probable that it will be necessary to enforce the double liability provision.

... THE ...

# Molsons BANK

Incorporated by Act of Parliament 1855.

Paid-up Capital . . . . \$4,000,000<sup>0</sup>  
Reserve Fund . . . . \$4,000,000

HEAD OFFICE : MONTREAL

Besides its 96 Branches in Canada, the Molsons Bank has agencies or representatives in almost all the large cities in the different countries of the World, offering its clients every facility for promptly transacting business in every quarter of the Globe.

Edward C. Pratt, - General Manager.

## THE Royal Bank of Canada

Incorporated 1869

Capital Authorized - - - \$25,000,000  
Capital Paid up - - - \$11,820,000  
Reserve Funds - - - \$13,236,000  
Total Assets - - - \$236,000,000

HEAD OFFICE: MONTREAL

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

320 Branches in CANADA and NEW FOUNDLAND; 44  
Branches CUBA, PORTO RICO, DOMINICAN REPUBLIC  
COSTA RICA and BRITISH WEST INDIES

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

SAVINGS DEPARTMENTS at all Branches

### Book Review

#### EXERCISES AND QUESTIONS.

For use with "Principles of Money and Banking", by Harold G. Moulton, and published by the University of Chicago Press, Chicago, Ill. Price, 50 cents per copy, net.

This volume is for use with the author's "Principles of Money and Banking", and furnishes an excellent aid in the study of the book. The value of study of economics is greatly enhanced if supplemented by an abundance of interpretative questions and concrete problems, and it is this purpose that the author has endeavored to serve with the present volume. The questions and answers have all been put to the test, and are such that the volume will be found of value in connection with any book on money and banking. The questions and answers are arranged under topics supplementing the material given in the volume of readings.

## New Banking Merger Proposed

Official Announcement is made that Quebec Bank will be Absorbed by the Royal Bank of Canada

The announcement of the proposed absorption by the Royal Bank of Canada of the Quebec Bank, the second oldest banking institution in Canada, came as a decided surprise to financial circles. According to the official announcement made public last week the directors of the two banks have entered into an agreement whereby the Royal Bank will purchase the assets of the Quebec Bank giving the shareholders of the latter institution one share of Royal Bank stock plus \$75 for each three shares of the Quebec Bank stock.

The shareholders of the Quebec Bank will vote on the agreement on November 28th, and if ratified the merger will go into effect on January 1st next. The directors of the Quebec Bank strongly

large resources which the Royal can place at the disposal of Quebec business. The advantage from the Quebec standpoint in that respect is emphasized clearly enough in the circular of the Quebec Bank directors. At Three Rivers the Quebec Bank is well established and the Royal has no branch. The same is the case at a number of other growing centres in the province, and the advantage will again be mutual between the Royal Bank and the commercial public of those centres.

In giving details of the terms of the amalgamation, the Quebec Bank circular recently, stated that fractional shares of the Royal, which will result from the exchange on the 1-for-3 basis will be paid for in cash at the rate of \$225 a share. Taking that as a basis, Quebec shareholders will be receiving a price in stock and cash equivalent to \$100 per share. At the present market price of 212 for Royal shares, the equivalent would be a little less at 96. The recent market price for Quebec shares has been about 106.

Among other details of the agreement is this, that the Quebec Bank shareholders will be directly represented on the Royal board by three directors.

No meeting of the Royal Bank shareholders will be necessary to ratify the agreement.

There are twenty-three branches throughout Canada where both the Quebec Bank and the Royal Bank have offices, so that it is presumed that the superfluous branches will be closed. These Quebec Bank branches are as follows: Montreal, principal office on Place d'Armes and five others scattered through the city; St. John, N.B.; Sherbrooke, Que.; Hamilton, Ottawa, 2 branches; Pembroke, Ont.; Sturgeon Falls, Ont.; Thorold, Ont.; Toronto, 3 branches; Winnipeg, Regina, Saskatoon, Swift Current, Calgary, Edmonton, Medicine Hat, Vancouver and Victoria, besides the Quebec office and four city branches.



MR. E. L. PEASE,  
Managing Director, Royal Bank of Canada.

favor the merger in their announcement to shareholders and it is probable that their recommendations will be followed. The circular states:

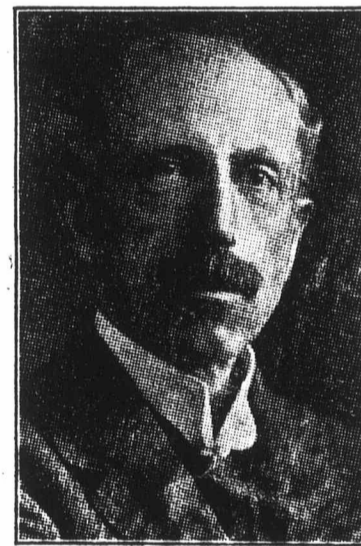
"With the present condition of business in the West, your directors cannot hold out the hope that, if the separate existence of the bank is maintained, the dividends would be continued. On the contrary your directors feel that it is necessary for them, owing to severe competition, if the proposed amalgamation were not sanctioned by shareholders, to reduce the dividend for some years to come." Further on it is pointed out that:

"The tendency of modern banking business has been towards the amalgamation of banks and the creation of financial institutions having large resources for the purpose of financing modern industries. It has happened that your directors have been obliged to refuse advances to some of the bank's best customers, because in their opinion the amount asked for, though safe and profitable, bore an undue proportion to the resources of the bank.

"After a persistent and vigorous effort to establish the bank in the West, and to increase its business in the East, your directors, after consultation with some of the principal shareholders, have come to the conclusion that the interests of the shareholders would be better served by an amalgamation with a larger bank, than by continuing the separate business of the institution. The experience of banks, both in Europe and Canada, has shown that amalgamations such as that proposed are highly advantageous to the shareholders."

With the absorption of the Quebec Bank the Royal Bank of Canada will take rank as the second largest bank in Canada in point of total resources. Total assets of Quebec Bank on August 31st last were \$22,250,037, which, added to Royal's \$238,411,224, gives a total of \$260,661,261. Total public deposits of Quebec were \$14,227,659, and will bring Royal's to around \$205,000,000.

The advantage of the amalgamation from the Royal's standpoint is that it will materially strengthen the bank's connection through this province. It is only four or five years since the Royal opened a branch in Quebec City, for instance, and its business there was only on the way to being established. Immediately it secures a very important connection at Quebec, and a connection which will benefit by the



MR. JOHN T. ROSS,  
President, Quebec Bank.

The directors of the Quebec Bank are President, John T. Ross, Quebec; R. MacD. Paterson, vice-president, Montreal; Desey Boswell, Quebec; Gaspard LeMoine, Quebec; Thomas McDougall, Montreal; D. G. Stuart, K.C., Quebec; J. E. Aldred, Montreal; Peter Laing, Montreal; J. Malcom McIntyre, Montreal.

The head office of the bank is in Quebec, with the general manager's office in Montreal, the general manager being B. B. Stevenson; superintendent of branches, Reginald C. Patton, Montreal; inspector of eastern branches, R. L. Young Jones, Montreal; inspector of western branches, W. H. Clarke, Calgary; chief accountant, A. W. Brown, Montreal.

The absorption of the Quebec Bank will give the Royal fifteen branches throughout the province of Quebec, one in Ontario, nine in Saskatchewan, and two in Alberta.

#### PERSONALS.

Mr. J. H. Black of Toronto, has been elected to the board of the Timiskaming Mining Company to fill the vacancy caused by the death of Dr. C. C. James.

ESTABLISHED 1875

## Imperial Bank of Canada

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

PELEG HOWLAND, President  
E. HAY, General Manager

HEAD OFFICE: TORONTO

Careful attention given to Current accounts and efficient service in the making of collections are assured to Merchants and Manufacturers.

119 Branches in Dominion of Canada

## THE DOMINION BANK

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

C. A. BOGERT, General Manager

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

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

ESTABLISHED 1872

## BANK OF HAMILTON

Head Office: HAMILTON

CAPITAL AUTHORIZED..... \$5,000,000  
CAPITAL PAID UP..... 3,000,000  
SURPLUS..... 3,475,000

## THE HOME BANK OF CANADA

ORIGINAL CHARTER 1854

Branches and Connections Throughout Canada.

Offices in Montreal:  
Chief Office, Transportation Bldg., St. James St.  
Bonaventure Branch, 523 St. James St.  
Hochelaga Branch, cr. Cuvillier & Ontario Sts.  
Mont Royal Branch, cr. Mont. Royal & Papineau Avenue

The Subscription Price of the Journal of Commerce is Three Dollars per Year.

### DOMINION DEBENTURE ISSUE.

#### Five per cent. three year Debenture Stock to Provide War Funds.

Dominion five per cent. three-year debenture stock, maturing October 1, 1919, with interest from date of purchase payable by cheque free of exchange, is being issued by the Department of Finance for purchase by all investors who want a safe, patriotic and profitable investment. The new stock issue will be available for purchase at par at any time, and will afford a constant opportunity for investment between the times of the big war loan issues, the third one of which is expected early next year. The new five per cent. stock will be advertised in a few days, when all particulars will be given. The Government will accept this stock from purchasers at par with accrued interest in lieu of cash in payment of any allotment under future Canadian war loan issues.

In addition to this new avenue of investment with the Dominion Treasury, the Government will probably provide also for the issue of war savings certificates of small denominations. These certificates, bearing the same rate of interest as the debenture stock issue, will give opportunity for those with only small amounts to invest from time to time to place their savings to the national credit, secure a good rate of interest for themselves, and at the same time provide funds for defraying Canada's war expenses.

The combination of war loans, debenture stock issue, and war savings certificates should bring to the Treasury a steady supply of funds sufficient to meet all war demands without recourse to any further loans outside.

### SELLING BONDS BY WIRELESS.

Great Britain through her control of the sea has been able to prevent Germany from selling bonds in the regular manner and delivering them, but she is unable to stop Germans from selling American bonds by wireless. It is said that since the last German war loan was offered there has been a good deal of this sort of selling of American bonds held in Germany. The assumption is that patriotic Germans are parting with their American investments to secure funds to subscribe to the recent war loan. The American bonds sold are to remain in the vaults of Berlin banks, or if cautious Americans are afraid of these depositories it is said that Germany has arranged to ship them to such neutral countries as Holland and Switzerland, where they will be deposited in a designated banking institution until after the war.

### THE CANADIAN ANNUAL REVIEW.

The latest edition of the Canadian Annual Review of Public Affairs, by J. Castell Hopkins, F.S.S., F.R.G.S., is a most complete symposium of events during 1915. Naturally the great war occupies a considerable part of the author's work, but this is handled in a manner that should be found of value to readers and students. Canada's, and the Empire's, participation in the war are covered in an able manner. Political events in the various provinces and the many important questions up for debate during the year are fully recorded. The present volume is the fifteenth annual edition, and their importance as a current history of national and imperial affairs is invaluable. The book is published by the Annual Review Publishing Company, Limited, Toronto.

## THE BANK OF BRITISH NORTH AMERICA

Established in 1836  
Incorporated by Royal Charter in 1847.

Paid up Capital..... \$4,865,665.63  
Reserve Fund..... \$3,017,333.33

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

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

This Bank has Branches in all the principal Cities of Canada, including Dawson City (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

### BANK OF ENGLAND STATEMENT.

The weekly statement of the Bank of England shows the following changes: Total reserve increased £1,276,000; circulation decreased £210,000; bullion increased £1,065,909; other securities decreased £6,394,000; other deposits decreased £8,041,000; public deposits increased £2,899,000 notes reserve increased £1,237,000; Government securities, unchanged.

Proportion of the bank's reserve to liability this week is 22.67 per cent; last week it was 21.23 per cent. Rate of discount, 6 per cent.

### BANK OF FRANCE REPORT.

The weekly statement of the Bank of France shows the following changes: Gold in hand increased 16,087,000 francs; silver in hand decreased 2,819,000 francs; notes in circulation increased 17,750,000 francs; treasury deposits decreased 10,810,000 francs; general deposits increased 93,676,000 francs; bills discounted decreased 76,928,000; advances increased 4,350,000 francs.

### GERMAN BANK STATEMENT.

The statement of the Imperial Bank of Germany, issued October 7th, shows the following changes: Total coin and bullion increased 7,655,000 marks, gold increased 8,159,000 marks. Treasury notes decreased 22,019,000 marks, notes of other banks increased 7,851,000 marks, bills discounted decreased 3,290,770,000 marks, advances increased 517,000 marks, investments increased 671,000 marks, other securities increased 5,817,000 marks, notes in circulation decreased 139,751,000 marks, deposits decreased 3,050,114,000 marks, other liabilities decreased 100,413,000 marks. Total gold holdings, 2,492,932,000 marks.

The Merchants Bank of Canada have opened a branch at Pembroke, Ont., under the management of Mr. H. A. Tofield.

## LLOYDS BANK LIMITED

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

Capital Subscribed	- - -	£31,304,200
Capital paid up	- - -	5,008,672
Reserve Fund	- - -	3,600,000
Deposits, &c.	- - -	130,504,499
Advances, &c.	- - -	55,008,883

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

French Auxiliary: LLOYDS BANK (FRANCE) LIMITED,  
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ARGENTINA  
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Established 1891

URUGUAY  
PARAGUAY

# The Review of the River Plate

ALL ABOUT

## ARGENTINA

*Its Wonderful Resources and Possibilities*

PUBLISHED IN BUENOS AIRES

B. MITRE 427

BUENOS AIRES

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## Important Changes in the Fur Industry

*London and Continental Sales Supplanted for the Time Being by American Sales. Prices Fifty per cent Over Pre-War Quotations*

During the past two years the far reaching effects of the great war raging in Europe has wrought extraordinary changes in the lives of individuals, snatching them from a routine to which they had been fitted by years of study and experience, and placing them in newly created environments. The policy, aims, and even the character of nations have been altered by problems arising for which there has been no precedent to serve as a guide. Nor has the influence of the world struggle ended with nations. It has entered equally into the international sphere of industry where the moving finger has written the word "upheaval" in bold clear letters. These are days of intense interest to the student of political economy, for he realizes that upon the events of the present period will be based the governing laws of life for generations to come. Just as in individual life so in the industries there has been an almost universal response to the unusual forces at work, each according to its peculiar characteristics, and the needs and circumstances created by the war.

In the fur industry, for example, great changes have taken place. The centre of fur trading has shifted from Europe to America. Whether this change is destined to be permanent or of only temporary duration is as yet a matter of conjecture. Formerly London was the auction mart of the fur trading world where the great sales of furs from every producing country were held and on them depended the prices, in each year's fur business. It was to Leipzig, however, that we had to look for the real heart of the industry. The German traders competed for the major portion of the London offerings, and sorted them out to suit the requirements

of trade in general. The German studied his buyers, granted long term credits, and distributed in lots selected to suit his customer; and by these and other judicious methods he gained the goodwill of fur houses the world over, until he controlled the fur trade to a very large extent.

### Effect of the War.

On the outbreak of war prices of furs slumped, and dragged in a lifeless market for about six months, on the assumption that the United States and Canada could not consume their entire catch. Germany bought largely of these furs. The low prices prevailing at that time were not sufficient inducement for the trappers to exert themselves and this resulted in supplies coming forward in considerably decreased quantities. Once the new condition had become realized, American buyers became panicky and bought regardless of price, fearing an actual shortage. When economic conditions had improved, the purchasing power of this continent proved so great that many of the furs previously bought by Germany were brought back to America. Values increased fully 35 per cent. in 1915 and have been advancing ever since.

In order to meet the needs of American buyers, auction sales have been established during the past year by Funsten Brothers in St. Louis, and by the New York Fur Auction Corporation in New York, by whom are handled the furs that formerly were shipped abroad to be sold by such large firms as Lampson, Huth and Nesbitt in London. Whether the United States will be able to attract the great fur buyers of the world to these sales after the war is over in competition with London and Leipzig, is difficult to predict, and those interested in the fur trade are keenly watching developments.

Prices of furs at New York and St. Louis during the week of September 20th showed a decline in many lines from the high figures attained last spring. All varieties of fox are in good demand with prices firm, and such furs as ermine, moleskin, marten and fisher sold at advances. Hudson seal is very fashionable and prices are strongly maintained. The market on the whole is easy at the present high levels. On the other hand it must be remembered that recent declines have amounted to only about five to ten per cent. and that prices are still holding up to 50 per cent. or more above the extreme low point. Canadian dealers do not look for any weakness in this market this season, as the scarcity of labor and the increased cost of dyeing and dressing, coupled with the shortage of manufactured goods in stock, are of sufficient weight to tip the scales in the other direction in spite of the easier feeling in the primary markets in the United States.

### Canadian Possibilities.

At the present time the bulk of furs procured in North America come from the United States. In Canada, although fur bearing animals abound throughout the country, the trappers can only penetrate a certain distance into the wilds. As new territories are opened up the hunters are able to go farther afield and thus our production is increasing from year to year. The geographic situation of Canada in the western hemisphere is very similar to that of Russia in the eastern, and thus with the same climatic conditions most of the varieties of fur bearing animals for which Russia is justly famous are also found in Canada. From the foundation laid by the Hudson Bay Company centuries ago, our fur trade has increased to its present significant proportions, with unlimited possibilities awaiting the development of future generations.

### CANADIAN DOLLAR IN PARIS.

Mr. Philippe Roy, General Commissioner for Canada in Paris, advises that following representations made by himself on behalf of Canadian exporters and representatives of Canadian concerns visiting Paris the Minister of Finance of France, and the Brokers' Syndicate of the Paris Stock Exchange have agreed that the Canadian dollar be quoted on the Paris Exchange.

### SELLING

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# THE EXPORTER'S FIELD

## SELLING PLANS OF BRITISH WOOLEN MILLS.

The following is the amended system of selling terms approved by British woolen manufacturers, and which went into effect on August 1st, last:

1.(a) All goods invoiced and dispatched from the 1st to the 31st of a month (but subject to the terms of sub-section (c) of this section) shall be paid for in cash, subject to a discount of 4 per cent. if paid on or before the 10th of the month following delivery; or 3½ per cent. if paid on or before the 10th of the second month following delivery; or 3 per cent. if paid on or before the 10th of the third month following delivery; or 2½ per cent. if paid on or before the 10th of the fourth month following delivery; unless at the option of the manufacturer he agrees to take a bill or promissory note for a further period not exceeding three months. The bill or note shall be for the amount of the invoice less the discount of 2½ per cent., with the addition of interest on the net amount for the period of the bill or note at the rate of 7½ per cent. per annum. (b) If payments are not made on the definite dates above provided, the discount to be allowed shall be the rate provided for the definite date immediately following; but interest at the rate of 6 per cent. per annum shall be allowed for the period from the date of payment to such definite date in respect of all amounts so paid before the 10th of the fourth month following delivery. The manufacturer will also show interest at the same rate from the date of payment to the 10th of the first month following delivery in respect of any amounts paid before such date. (c) Goods invoiced and dispatched at the end of a month, if delivered in the United Kingdom on or before the 5th of the following month, shall be due for payment as if delivered the same month as invoiced.

2.—No extra discount, bonus, rebate, commission, or other consideration shall be allowed.

3.—No dating forward shall be allowed. Every order shall be accompanied by a definite date for completion of delivery, provided that the manufacturer agrees to deliver on the said date, subject to the conditions of the acceptance of the order.

4.—These terms shall apply only to trade so far as goods are sold in sterling, but no more favorable conditions shall be granted to purchasers in currency other than sterling.

5.—Every piece shall be measured 38 inches to the yard, and no further over-measure shall be given.

6.—Carriage on goods will be paid to the primary place of destination, or, in the case of goods shipped direct abroad, to port of shipment only. If goods are ordered to be delivered to a shrinker, the place of business of the shrinker will be considered the primary place of destination, unless the goods are collected free of cost by the shrinker.

7.—All patterns 27 inches or more wide and all patterns of whatever dimensions of an area of 243 square inches shall be paid for in full.

## TINNED PROVISIONS IN STRAITS SETTLEMENTS.

Approximately \$5,700,000 worth of dry and salted fish was imported into the Straits Settlement during 1915, and, according to U. S. Consul Harry Campbell, a large demand exists, especially in the Singapore district, for canned provisions and fruits of all kinds. There is a fair market for dried and preserved fruits, the imports for 1914 and 1915 amounting to \$540,480 and \$676,760, respectively, of which only \$21,721 and \$23,155 worth came from the United States. However, the Government statistics show \$180,280 and \$237,780 imported from Hongkong, of which no doubt a considerable quantity originated in the United States, being transhipped or resold in Hongkong from supplies from the Pacific coast.

## ORGANIZE FOR FOREIGN MACHINERY TRADE.

The Inter-Continental Machinery Corporation has been organized with headquarters at Wilmington, Del., for the purpose of dealing in machinery and machine tools in United States and foreign countries. The company is understood to have several exclusive agency arrangements, as well as contracts, to purchase materials for foreign commissions. The company is capitalized at \$500,000.

## CO-OPERATION IN ARGENTINE TRADE.

Representatives of United States export and commission houses resident in Buenos Ayres have from the United States Exporters' Association for the purpose of effecting closer co-operation and self-protection of their various interests. At a recent meeting a few important conditions were adopted that may be found of interest to Canadian exporters.

In the case of orders based upon c. i. f. quotations, the price includes the cost of the merchandise placed on board ship at port of embarkation, the freight, marine insurance, and other petty charges up to port of destination. The obligation of the shipper as regards delivery ceases once the merchandise is shipped. The goods travel for account and risk of the buyer, and the shipper assumes no responsibility for their arrival at port of destination, or for any damage sustained on the voyage or during unloading.

The clauses of the bills of lading and policies of insurance covering the goods detailed on the ticket are incorporated in the conditions of the transaction and form a part of the order.

The shipper is not responsible in any case of force majeure; and without prejudice to the general nature of the stipulation, he is especially exempt from responsibility in cases of strikes, floods, fires, accidents, delays, or other difficulties in land or sea transport, or in the case of interruption of such transport services by acts of Governments or other competent authorities, or for postponement in sailings of ships and any other causes beyond the control of the shipper.

In case of war and during the duration of war the shipper shall insure the merchandise shipped by him against all war risks, without being required to consult the purchaser, to whose account the cost of such insurance shall be charged. War-risk premiums shall in no case be included in the prices, and shall be shown separately as extras in the invoice.

## OPPORTUNITIES IN VENEZUELA.

Venezuela offers a market for American machinery and machine tools and is a very promising country for the development of the sugar industry, according to J. A. Massel, former special agent to South America for the United States Department of Commerce. Although at present principally an agriculture country, Mr. Massel sees in this South American Republic great opportunities for an extensive trade along industrial lines. In the opinion of Mr. Massel the present Administration in Venezuela, which has been in power for the past eight years, has not been molested by revolutions, is doing everything to promote and encourage industry and agriculture and is inviting foreign capital.

Mr. Massel says: "Analysing everything, it is quite evident that only a few years ago there was practically no market for machinery, at present there is a moderate one with the tendency of increasing, the extent of which will largely depend, as in any other country, on basic, financial and political conditions. These conditions at present are favorable. The cane sugar industry which so favorably compares with other cane sugar producing countries of the world has just been initiated with very encouraging results. The mining wealth which is known to exist is practically untouched as yet. The cattle have already a good fame and the British island of Trinidad practically lives on Venezuelan meat. All of these facts tend to show that there are good possibilities for investments which in turn mean machinery importation, as no industry can exist without it.

"The Royal Bank of Canada has opened a branch in Caracas, and I was told by a representative that three or four more branches will be established within a comparatively short time."

According to Mr. Massel, Venezuela offers a reasonable market at present and a considerable increase in the near future for the following: Industrial machinery, which includes textile, flour, sugar, coffee and electrical machinery; steam and power pumps, steam engines, boilers, piping and fittings, small hydraulic pumps, machine tools, ice making and refrigerating machinery, agricultural machinery, automobiles and auto trucks, machinery for brewing and distilling and road making.

## : Foreign Inquiries :

### PARIS

## O. Levi Farinaux & Cie,

37 BLD. CARNOT, LILLE, FRANCE  
New Address: 13 RUE AUBER, PARIS,  
FRANCE. Cable Address: OLF.

## COMMISSION MERCHANTS IMPORTERS - EXPORTERS

All Textile Materials—Raw Flax, peeled, combed, Tow, Hemp and Fibre, Jute, Cotton, etc.  
Grain and Seed—Seed Grains a Specialty.

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## Japanese Novelty

We ship 50 Assortments of the Latest Japanese Novelties and Toys, post-paid, upon receipt of 5 shillings. Something new for Trade or Gift. Satisfaction or money refunded. Dealers and Jobbers invited. Buy direct. Make money.

## MATSUMOTO-DO

Dept. No. 690,

TOKYO

JAPAN

### AMSTERDAM

## H. de GROOT

PAPER AND BOARDS

Overtoom 36-40, AMSTERDAM  
is in the market for large quantities of different sorts of:

PACKING-PAPER, on rolls and sheets.  
TISSUE-PAPER, 17/20 Gr. M2.  
GREASEPROOF and Glazed PARCHMENT.  
CELLULOSE PAPER, 30/60 Gr. Mr. (M. G. Cap and Sulphite).  
FELTPAPER, on rolls, 450/1000 Gr. M2.  
DUPLEX- and CHROMOBOARDS.  
and asks for offers.

## UNITED STATES EXPORTS TO ALLIES.

The value of exports from the United States to the Allies for the eight months ending in August amounted to more than \$2,651,743,000, or more than the total export trade of the country for the entire fiscal year 1914. This sum compares with \$1,568,751,000 for the eight months ending with August of 1915.

Shipments to the Teutonic Powers for the eight months were insignificant, the only materials going through directly being Red Cross supplies. For the eight months ending in August, 1915, exports to Germany amounted to \$11,688,000 as compared with \$1,186,000 in the same period of this year.

## WOOD-PULP INDUSTRY IN NEW ZEALAND.

The New Zealand Wood Pulp and Paper Manufacturing Co., Ltd., has been incorporated with headquarters in Christchurch, N. Z., and a paper plant is being installed with a daily capacity of 20 to 25 tons.

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

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

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

**Dominion Savings Bldg.**  
LONDON, CANADA.

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

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

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**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.. .. .	183,366,630
Deposits with Dominion Government ...	1,225,467

(As at 31st December, 1915.)

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

Applications for Agencies solicited in unrepresented districts.

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

### 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.



### Ontario Fire Insurance Investigation

Hearing Resumed in Toronto Last Week.

The Fire Underwriter's Association, which was severely criticized by Provincial Fire Marshall E. P. Heaton in his report on insurance conditions in Ontario, filed an answer before Judge Masten on the resumption of the commissioner's investigation in Toronto last week. The case for the Underwriters was made in the form of a detailed statement of the history, organization and objects of the Association.

The statement declares that the objects of the association are the fixing of equitable rates of fire insurance, the maintenance of departments for the inspection of mercantile manufacturing and other risks, of municipal waterworks, fire-fighting appliances, electrical and other hazards, looking to reduction of fire waste of the country and generally to the promotion of the interests of its members. It was in regard to this that Mr. Heaton made some of his criticism, claiming that the reduction of fire waste was a secondary matter to the maintenance of rates.

The statement points out that the association has two general objects, the maintenance of rates and the reduction of the expense of conducting business, and in defending its activities sets out at length the measures taken in the inspection of waterworks and the fixing of rates for municipalities. This inspection had in many cases resulted in the disclosure of deficiencies in waterworks that had led to pressure being brought for the making of improvements. It is claimed that rates are increased only where deficiencies are of such nature as to call for instant action. Generally speaking the members of the association are opposed to such changes and make every effort first to have conditions improved.

The statement claims in conclusion that the existence of the association is necessary for the well being and solvency of the companies, a vital matter to every member of the community, it has effected an enormous saving in expense by having inspections made by the association instead of by individual companies; that prompt recognition is given by reduction in rates where improvements in conditions are effected, that valuable service is given in advising architects and property owners as to the best methods of construction, that its regulation of rates tends to prevent discrimination, and that the whole method of operation makes the association an effective force in reducing fire loss.

A further report was submitted by Fire Chief Howard, of Peterboro, Chairman of the Legislative Committee of the Dominion Association of Fire Chiefs, in which he deplored the careless habits of the public in large part responsible for many disastrous fires. The report of the Fire Chiefs recommends that statutory legislation be passed which will permit competition in the fire insurance business, and in support of this they submitted papers prepared by members of their association bearing on the point.

With reference to over-insurance, the association points out that many fires can be traced to positive indifference on the part of the interested parties. They offer in this regard to gather evidence and cite specific cases.

The report further recommended that the Government is advised to enact such statutory measures as will make it a crime for any person or firm to permit such accumulation of combustible materials in cities. Also that it be made compulsory for all fire departments to have standard couplings so that fire fighting could be made easier. It was pointed out that in Lindsay last week when Flavelle's Limited was burned, help was sent by the Peterboro Fire Department, but little could be done on account of the couplings at Lindsay being different from those with which the Peterboro brigade was equipped.

### NEW INSURANCE MANAGER.

It is announced that G. E. Moberly, formerly superintendent of agencies for Canada of the Northern Assurance Company, Limited, of Aberdeen, Scotland, has been appointed manager in Canada. Mr. Moberly has long been connected with the fire insurance business and has achieved a very high reputation for integrity and efficiency. He is justly popular with his colleagues, and no appointment in fire insurance circles in recent years has been more cordially endorsed.

### "A Little Nonsense Now and Then"

As the stage coach careened toward the edge of the cliff, the timid tourist gazed anxiously down at the brawling stream three hundred feet below.

"Do people fall over this precipice often?" she asked.

The driver clucked to his broncos. "No, madam," he returned placidly; "never but once."—Christian Herald.

"I shall never scold my husband again for spending so much time at the club." "Tell me about it." "Well, last night a burglar got into the house, and my husband knocked him senseless with the poker. I've heard several men speak of him as a poker expert. He has evidently been practising at the club for just such an emergency!"

The teacher had been reading to the class about the great forests of America.

"And now, boys," she announced, "which one of you can tell me the pine that has the longest and sharpest needles?"

Up went a hand in the front row.

"Well, Tommy?"

"The porcupine!"—Farm & Home, (British).

McTavish and Macpherson are adrift at sea in an open boat.

McTavish (on his knees)—O Lord, I ken I've broken maist o' Thy commandments. And I've been a hard drinker all my days. But, O Lord, if we're spared this time, I promise never—

Macpherson: I widna commit mysel' ower far, Donald. I think I see land.—Life.

Sandy boarded a crowded car and obeyed the conductor promptly when he told the passengers to move up. The car started on its way, but stopped at the next block to admit other passengers and again Sandy moved up. The operation was repeated block after block, and Sandy had been as obliging as possible. Finally he reached his destination, and as he passed the conductor he was gripped by the arm and pulled back. "You didn't pay your fare," said the man. "Fare be blowed!" exclaimed Sandy. "Why, mon alive, I've been walking all the way!"

For several days Mandy, the faithful cook, failed to put in an appearance. Her mistress made anxious enquiries and found to her dismay that Mandy had been arrested. She hastened down to the courthouse to see what could be done.

"Why, Mandy!" she exclaimed, "what in the world have you been doing to get arrested?"

"Ah ain't been doin' nothin' 'tall, Miss Anna," was the indignant reply. "All dis heah fuss is 'bout a lady named Miss Demeanor, and Ah ain't nevah even heahed of her befo'!"—Judge.

She took a course of first aid to the injured, and after long and anxious waiting, the street accident she had earnestly wished for took place.

It was a bicycle accident, the man had broken his legs; she confiscated the walking stick of a passerby and broke it in three pieces of splints; she blushing took off her underskirt for bandages and she was enthusiastically cheered by the crowd. When all was completed she summoned a cab and took her patient to the hospital.

"Who bandaged this limb so creditably?" inquired the surgeon.

"I did," she blushing replied.

"Well, it is most beautifully done," said the surgeon, "but you have, I see, made one little mistake."

She felt terribly self-conscious.

"You have bandaged the wrong leg," he said quietly.

An aged negro was crossing-tender at a spot where an express train made quick work of a buggy and its occupants. Naturally he was the chief witness, and the entire case hinged upon the energy with which he had displayed his warning signal.

A grueling cross-examination left Rastus unshaken in this story: The night was dark, and he had waved his lantern frantically, but the driver of the carriage paid no attention to it.

Later, the division superintendent called the flagman to his office to compliment him on the steadfastness with which he stuck to his story.

"You did wonderfully, Rastus," he said. "I was afraid at first you might waver in your testimony."

"Nossir, nossir," Rastus exclaimed, "but I done feared ev'ry minute that 'ere durn lawyer was gwine ter ask me if mah lantern was lit."



## PROSPEROUS and PROGRESSIVE

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

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

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

### TEACHERS' INSURANCE.

The Carnegie foundation has worked out the details of its plan for furnishing insurance to teachers, says the "Insurance Press." It will organize a Teachers' Insurance Association of America under the laws of New York and the supervision of the New York insurance department, the Foundation providing the capital, surplus and a guaranteed deposit. This will issue term life insurance at cost, disability allowances provided at the expense of the Foundation, and retiring allowances and widows' pensions based on contributions from the teacher and his institution, and individual contracts with the Foundation, which will pay the costs of administration and guarantee a good rate of interest upon the accumulation. The Foundation will also organize the Teachers Savings and Trust Company under the laws of New York and the supervision of the New York banking department, furnishing its capital and surplus, which will receive the annuity contributions and handle the financial features of the work.

### WILL TAKE OUT COMMISSION.

Mr. C. Norrie-Miller, vice-president of the General Accident Assurance Company of Canada, is leaving Canada to take a commission in the Imperial forces. Previous to his departure from Toronto he was dined by a number of his friends who presented him with several tokens of esteem. Mr. Norrie-Miller had already joined one of the Toronto battalions as a private.

### MR. J. E. ROBERTS, DEAD.

Mr. James Edward Roberts, of Toronto, President of the Dominion of Canada Guarantee and Accident Insurance Company, Ltd., who for many years has been recognized as one of the foremost authorities on insurance, died suddenly on October 2nd at his home in that city.

A native of England, where he was born in 1860, the late Mr. Roberts came to Canada at the age of fifteen. He entered the insurance business in 1882, and in 1900 he became a director of the Dominion of Canada Guarantee and Accident Insurance Company. Shortly afterwards he was elected President, and in 1905 he was re-elected Vice-President of the International Association of Accident Underwriters of America.

### BANK MANAGER DEAD.

The death of Mr. Jereny Taylor, manager of the Kingston, Ont., branch of the Bank of British North America, occurred at his home in that city on Friday last. Mr. Taylor had been manager in Kingston for the past fifteen years, and previous to that had been manager of banks in Quebec, Fredericton and London.

## Canadian Sailors for the British Navy

### Recruiting Starts for the Royal Naval Canadian Volunteer Reserve.

Recruiting has been commenced in Canada for the purpose of enrolling some two thousand men for the Imperial Navy. These men will be recruited under the auspices of the Naval Service Department of Canada and will form what will be known as the Royal Naval Canadian Volunteer Reserve for this overseas division. While Canadians have done wonderfully well in recruiting for the military services in the various overseas battalions, yet it was thought that a considerable number of men could be procured in Canada for the Royal Navy. There are doubtless many men so constituted that they would prefer serving the Empire at sea rather than in the land forces, and in the formation of the Royal Naval Canadian Volunteer Reserve they are given their opportunity to enlist. The men need no previous experience. They must be of good character and physique. The rates of pay are the same as for the Canadian Expeditionary Forces, namely, \$1.10 a day and a separation allowance of \$20.00 per month. The recruits enlist as ordinary and able bodied seamen, and they have the privilege of entering classes to qualify for petty officers and chief petty officers, the latter ratings receiving \$1.60 and \$1.90 per day with separation allowances of \$25.00 per month. Recruiting is being carried on in Montreal under Lieut. Mathews, R. N., at 129 Commissioners Street, Montreal, and Mr. F. W. Wallace, 600 Read Building, 45 St. Alexander Street, Montreal, where all particulars can be procured. One of the advantages of this service is that there is no lengthy period in barracks before the men get into active service. As soon as an applicant has been accepted he is sent to Halifax where he receives a full kit of clothes and is immediately sent over to the naval depot in Great Britain where he will receive about two months training before being drafted to one of His Majesty's ships. The applicants must be the sons of natural British subjects. For seamen ratings they must be from 18 to 38 years of age. Men enlisting as stokers will receive 10 cents per day more. Recruits will be enlisted for the period of the war and they will be members of the R. C. N. V. R. during their service on ships of the Imperial Navy. French-Canadians will be eligible for this service even if they have but a slight knowledge of English.

### ARNOLD INSURANCE CLAIMED.

Creditors of the W. R. Arnold estate have appeared before Justice Murphy in the Supreme Court in reference to the \$450,000 of insurance money which the liquidator of the Dominion Trust collected in his capacity as executor of the estate of the late Mr. W. R. Arnold, and which he proposed to appropriate to the Dominion Trust Company under his right of retainer as a creditor of the estate.

Mr. W. E. Burns, appearing on behalf of the creditors stated that the liquidator of the Dominion Trust Company in his capacity as executor of the Arnold estate originally had an undoubted right to retain as a first charge on the estate whatever sums he could lay claim to as a creditor. As the total assets of the Arnold estate are \$426,000, and the claims of the Dominion Trust, apart from the misfeasance charges amount to \$753,000, it meant that there was not a cent left for distribution among the general creditors of the late Mr. Arnold, including the claims of the widow and children under the will. Mr. Burns claims that the liquidator has lost his right to hold the Arnold insurance moneys in payment of the claims of the Dominion Trust, and must now rank as an ordinary creditor for a pro-rata share.

### SEPTEMBER FIRE LOSSES.

The losses by fire in the United States and Canada during the month of September, as compiled from the carefully kept records of The New York Journal of Commerce and Commercial Bulletin, aggregated \$12,244,625. This is over two and a half millions less than was charged against the same month last year, when the losses reached a total of \$14,823,500. The losses for the first nine months of this year were \$171,779,845, as compared with \$126,288,400 for the same months last year and \$176,706,750 in 1914. There were during September this year 236 fires, each causing an estimated property loss of \$10,000 or over.

## WESTERN ASSURANCE COMPANY

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

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

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

HEAD OFFICE - - - - TORONTO, ONT.

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

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

## 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

## 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

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.

Canadian Head Office:

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

## They are Popular

The Seal of Public Approval is stamped upon  
North American Life Policies.

During 1915, Policies were issued for over \$9,100,000—the largest single year's Business in the history of the Company, and a 15 per cent increase over that for 1914.

Liberal, up-to-date policy contracts, backed by a Company of unquestioned strength and integrity, make it an ideal one for any agent to represent.

Some good agency openings are available.

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

## NORTH AMERICAN LIFE ASSURANCE COMPANY

Home Office,  
EDWARD GURNEY,  
President.

Toronto, Ont.  
L. GOLDMAN,  
1st Vice-President and  
Managing Director.

## The Independent Order of Forester

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.....\$42,000,000

FRED J. DARCH, S.S.,  
ELLIOTT G. STEVENSON, S.C.R.,  
Temple Bldg., Toronto, Canada

## BLACK DIAMOND

FILE WORKS

Established 1863

Incorporated 1897

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

### G. & H. Barnett Co.

PHILADELPHIA, Pa.

Owned and Operated by  
NICHOLSON FILE COMPANY



### PROFESSIONAL

THE REV. M. O. SMITH, M.A., WILL ADVISE with fathers concerning the instruction and education of their sons. No. 544 Sherbrooke St. West. Or telephone Main 3071, and ask for Mr. Kay.

HOWARD S. ROSS, K.C.

EUGENE R. ANGERS

### ROSS & ANGERS

BARRISTERS and SOLICITORS

Coristine Building, 20 St. Nicholas St., Montreal

### PUBLIC NOTICE.

#### FOOD DISTRIBUTORS, LIMITED.

**PUBLIC NOTICE** is hereby given that under the First Part of chapter 79 of the Revised Statutes of Canada, 1906, known as "The Companies Act," letters patent have been issued under the Seal of the Secretary of State of Canada, bearing date the 16th day of September, 1916, incorporating Howard Salter Ross, and Eugene Real Angers, barristers, Henry Murray Gardner, chartered accountant, George Thomas Porter, accountant, and Florence Salmon, stenographer, all of the City of Montreal, in the Province of Quebec, for the following purposes, viz:—

(a) To manufacture, import, export, buy and sell as agents or as principals goods, wares and merchandise and property of every class and description;

(b) To carry on any other business (whether manufacturing or otherwise) which may seem to the company capable of being conveniently carried on in connection with the above or calculated directly or indirectly to enhance the value of the company's property or rights;

(c) To acquire all or any part of the good-will, rights property, assets, shares of the capital stock and bonds and debentures of other corporations including any option, concession or the like of any individual, firm associations or corporation, having objects in whole or in part similar to those of the company, and to pay for the same wholly or in part in cash, bonds or securities, or in payment or part payment therefore to allot and issue, as fully paid up and non-assessable, shares of the capital stock of the company, whether subscribed for or not;

(d) To apply for, purchase or otherwise acquire any patents, licenses, concessions and the like conferring any exclusive or non-exclusive or limited right to use or any secret or other information as to any invention or process, and to turn to account, sell, lease or otherwise deal in such patents, licenses or concessions;

(e) To hold, purchase or otherwise acquire, to sell, assign, transfer or otherwise dispose of shares of the capital stock and bonds, debentures or other evidences of indebtedness created by other companies carrying on a business in whole or in part similar to that of the company;

(f) To acquire and hold, notwithstanding the provisions of section 44 of The Companies Act, and to sell or otherwise dispose of the stock, shares, securities or undertakings of any other company, having for one of its objects the exercise of any of the powers of the company or to transfer its assets or undertakings to or to amalgamate with any such company or companies;

(g) To guarantee the payment of dividends or interest on any shares, stocks, debentures or other securities issued by or any other contract or obligation of any company carrying on a business in whole or in part similar to that of the company whenever proper or necessary for the business of the company, and to guarantee the contracts of any person, firm or corporation dealing with the company;

(h) To sell or otherwise dispose of the whole or any part of the property, assets, rights, undertakings or good-will of the company and to accept

payment for the same wholly or in part in cash, bonds, stock or other securities of any corporation or company carrying on a business in whole or in part similar to that of the company;

(i) To enter into any arrangement for the sharing of profits, union of interest, co-operation, joint adventure, reciprocal concession or otherwise, with any person or company carrying on or intending to carry on any business which this company is authorized to carry on or which is capable of being conducted so as to directly or indirectly benefit the company;

(j) To procure the company to be licensed, registered or otherwise recognized in any foreign country, and to designate persons therein as attorneys or representatives of the company with power to represent the company in all matters according to the laws of such foreign country, and to accept service for and on behalf of the company of any process or suit;

(k) To distribute in specie or otherwise as may be resolved any assets of the company among its members and particularly the shares, bonds, debentures or other securities of any other company that may take over the whole or any part of the assets or liabilities of this company;

(l) The business or purpose of the company is from time to time to do any one or more of the acts and things herein set forth, and any power granted in any paragraph hereof shall not be limited or restricted by reference to or inference from the terms of any other paragraph.

The operations of the company to be carried on throughout the Dominion of Canada and elsewhere by the name of "Food Distributors, Limited," with a capital stock of one hundred thousand dollars, divided into 1,000 shares of one hundred dollars each, and the chief place of business of the said company to be at the City of Montreal, in the Province of Quebec.

Dated at the office of the Secretary of State of Canada, this 19th day of September, 1916.

THOMAS MULVEY,  
Under-Secretary of State.

4th Ins.

Solicitors for the Applicants.  
ROSS & ANGERS,

## THE LONDON DIRECTORY

(PUBLISHED ANNUALLY)

Enables traders throughout the world to communicate direct with English

#### MANUFACTURERS AND DEALERS

in each class of goods. Besides being a complete commercial guide to London and its suburbs the Director contains lists of

#### EXPORT MERCHANTS

with the goods they ship, and the Colonial and Foreign markets they supply;

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arranged under the ports to which they sail, and indicating the approximate sailings;

#### PROVINCIAL TRADE NOTICES.

of leading manufacturers, merchants, etc., in the principal provincial towns and industrial centres of the United Kingdom.

A copy of the current edition will be forwarded freight paid, on receipt of Postal Order for \$5.00.

Dealers seeking agencies can advertise their trade cards for \$5.00 or large advertisements from \$15.00.

THE LONDON DIRECTORY CO.  
LIMITED.,

25 Abchurch Lane, London, E. C.

A branch of The Canadian Bank of Commerce has been opened at Pouce Coupe, B. C., in charge of Mr. W. Haszard.

### DIVIDEND NOTICE

## THE STANDARD BANK OF CANADA

### QUARTERLY DIVIDEND NOTICE No. 104

Notice is hereby given that a dividend at the rate of THIRTEEN PER CENT PER ANNUM upon the Capital Stock of this Bank has this day been declared for the quarter ending the 31st day of October, 1916, and that the same will be payable at the Head Office in this City and its Branches on and after WEDNESDAY, the 31st day of November, 1916, to shareholders of record of the 23rd of October, 1916.

By Order of the Board,

Toronto, September 25, 1916.

G. P. SCHOLFIELD,  
General Manager.

### CONTINUED INDUSTRIAL ACTIVITY.

"Bradstreet's states that the continuance of industrial activity throughout the last quarter of the year is insured by the new credits which are being advanced to the British Government for the purpose of placing new orders for war supplies in this country. At the same time a large amount of funds which the banks would have contributed to the last war loan will be employed. The new orders are understood to cover a wide range of products, and the business activity which will result from this business is likely to spread far beyond the centres in which the orders are placed.

"Another effect will be the continuance of the present labor shortage and high wages. The efforts to mobilize the savings of wage earners is now in the hands of competent organizations constituted by the Finance Minister and if they are successful as they are likely to be this accumulation of capital by the spring may be large enough to form the basis of a further impetus in our industrial expansion.

"With wheat at \$1.54 to \$1.56 a bushel, farmers are in no hurry to sell. Buyers who needed the grain for immediate use are known to have paid \$1.61 for No. 2 new winter wheat this week. The Ontario farmer is evidently of the opinion that the market will go to still higher levels. Last year at this time the same quality of Ontario wheat sold at 90 to 92 cents a bushel. At present Ontario No. 2 wheat is 21 cents lower than No. 1 Northern, figuring \$1.56 and \$1.77 as the respective prices for the two grains. The spread in normal times is approximately 15 cents, so that allowing for the present condition of affairs, Ontario prices are practically in line with those of Manitoba wheat. A serious drawback is that grain buyers who in turn sell to commission men are demanding too much for their work. In normal times they are willing to handle the grain and take chances of a drop in the market at a margin of about 5 cents a bushel, but at the present time the margin has been widened to 15 cents in many cases and are thus taking an undue percentage of the profits. The grain markets appear to be in a fairly stable condition, or at any rate a 15 cent margin appears to give an opportunity for very large profits, instead of merely being an insurance against fluctuations in the market. The Ontario farmer has been held back in his fall ploughing by the extremely dry weather, and the crop is expected to move in greater volume within the next month."

### NEW LINE TO RIVER PLATE.

Norton, Lilly and Co., of New York, announce the establishment of a direct passage and freight service to be known as the Norton Line from New York to the River Plate, South America, opening with the Crofton Hall. Also their American and Indian line will connect New York and South Africa (Cape Town) and India (Bombay, Calcutta, Madras, Colombo, Rangoon). The trip from New York to Cape Town is scheduled to take twenty-two days.

They are general agents for Ellerman and Bucknall Steamship Company, Ltd., British and Colonial Line, Norton Line, American and African Line, American and Australian Line, American-Levant Line, and the Atlantic-Gulf-Far East Line.

### PERSONAL.

Mr. Robert Hobson, president of the Steel Company of Canada, was elected vice-president of the Landed Banking and Loan Co. at a meeting of the company held in Toronto last week.

# The Ogilvie Flour Mills Company Limited

## Reports and Balance Sheet

For Year Ended August 31st, 1916, Presented to the Shareholders at Fifteenth Annual Meeting, Held at Montreal, Quebec, October 12th, 1916

### DIRECTORS' REPORT.

A Balance Sheet showing the Assets and Liabilities of the Company, also Profits for the year, is submitted.

The Company's accounts have been audited by Messrs. Creak, Cushing and Hodgson, Chartered Accountants, whose report is presented herewith.

The sum of \$8,500 was added during the year to the Company's Pension Fund, which now amounts to \$115,000.

The Company's system of country elevators in the Northwest has been increased during the year by 21 buildings, making a total of 168 elevators, with a storage capacity of 5,385,000 bushels, and covering a very wide area of territory. With terminal and country elevators combined the Company's total wheat storage capacity now amounts to 10,335,000 bushels.

The Company's flour mills, elevators and other properties are in first class condition. All charges for repairs and renewals have been written off and the plants maintained at the highest standard of efficiency.

The usual dividends were paid during the year on the Preferred and Common Stocks, and a bonus of four per cent on the Common Stock was provided out of the year's profits, and paid on October 2nd, 1916, making a total distribution of twelve per cent on this issue.

All of which is respectfully submitted.

(Signed) C. R. HOSMER,  
President.

### VICE-PRESIDENT AND MANAGING DIRECTOR'S ADDRESS.

Addressing the Shareholders present, Mr. W. A. Black, Vice-President and Managing Director, said:

It is with pleasure we are again able to present you with a very satisfactory statement.

Notwithstanding the fact that since our last meeting the Government war tax was imposed and was retroactive for a year (which will necessitate our paying a very large sum), we have been able to provide for these taxes out of the year's earnings, pay our holders of Common Stock an increased dividend, and carry forward \$334,270.12 to the credit of Profit and Loss Account, which now stands at \$846,330.62.

While the earnings shown are about 25% on the Common Stock, it must be remembered that our reserves represented by Contingent Account \$1,250,000, and Profit and Loss balance as on August 31st, 1915, \$512,060.50, are also Capital, and that taking this into consideration it makes the return about 18%.

While we were not as fortunate in having a large amount of wheat to sell at much enhanced prices, as happened last year, we were more fortunate than in average years in our purchases. We also profited largely in the increase in returns which we received from our investments in business other than flour milling. Our interest charges for borrowed money have been much less owing, of course, to the large Capital now invested in our business which has been accumulating for some years past out of surplus earnings.

Our mills are now fully employed, and have orders ahead to keep them running for some time.

While the wheat crop in the Northwest is less than half of last year's, the yield as an average is little short of what it usually is, and the prices are very much higher. At this date last year October wheat was 98½ cents per bushel; to-day it is 164 cents. The high prices were in effect before the farmers had actually marketed the new crop, so that they will reap the full benefit, and the return to them as a whole will be little, if any, less than the previous year, and with the very high prices prevailing for all farm products, the country should be established on a most substantial basis.

Like many other manufacturers, we have been handicapped by the absence of a large number of our employees who are doing their duty at the front; but are confidently looking forward to the successful conclusion of the war at no distant date.

### DIRECTORS AND OFFICERS.

The following gentlemen were elected Directors of the Company for the ensuing year:—

Sir Montagu Allan, C.V.O., Mr. W. A. Black, Mr. Charles Chaput, Mr. George E. Drummond, Mr. C. B. Gordon, Sir Herbert Holt, K.B., Mr. C. R. Hosmer, Mr. A. M. Nanton, Mr. Shirley Ogilvie.

And Messrs. Creak, Cushing and Hodgson were appointed Auditors.

At a subsequent meeting of Directors the following officers were appointed:—

Mr. C. R. Hosmer, President; Mr. W. A. Black, Vice-President and Managing Director; Mr. S. A. McMurtry, Treasurer; Mr. G. A. Morris, Secretary; Mr. W. R. Dean, Assistant-Secretary.

### BALANCE STATEMENT, AUGUST 31st, 1916.

#### ASSETS.

Cash on hand and at Bank . . . . .	\$ 486,406.58
Bills Receivable . . . . .	429,217.25
Accounts Receivable after making Provision for all Contingencies . . . . .	1,291,101.82
Stocks on hand of Wheat, Flour, Oatmeal, coarse Grains, Bags and Barrels . . . . .	1,460,872.96
Stables, Plant and Office Equipment . . . . .	27,375.00
Investments . . . . .	593,904.48
Active Assets . . . . .	4,288,878.09
Investments for Pension Fund . . . . .	94,560.88
Real Estate, Water Powers and Mill Plants in Montreal, Winnipeg, Fort William and Medicine Hat; Elevators in Manitoba, Alberta and Saskatchewan; Property in St. John, N.B., and Ottawa as at 31st August, 1915 . . . . .	\$6,333,901.61
Additions during the year . . . . .	192,850.80
Goodwill, Trade Marks, Patent Rights, etc . . . . .	1.00
	<u>\$10,910,192.38</u>

#### LIABILITIES.

Accounts Payable, including Provision for War Tax for two years to date . . . . .	\$ 1,628,611.76
Provision for Bond Interest and Dividends to date . . . . .	220,250.00
Current Liabilities . . . . .	1,848,861.76
Officers' Pension Fund . . . . .	115,000.00
First Mortgage Bonds . . . . .	2,350,000.00
Capital Account:—Preferred . . . . .	\$2,000,000.00
Common . . . . .	2,500,000.00
Contingent Account . . . . .	4,500,000.00
Profit and Loss Account:—	1,250,000.00
Amount at Credit 31st August, 1915 . . . . .	512,060.50
Profits for year after payment of Bond Interest and after making provision for the War Tax for two years to 31st August, 1916 . . . . .	\$774,270.12
Less Dividends on Preferred and Common Stock . . . . .	440,000.00
	<u>334,270.12</u>
	846,330.62
	<u>\$10,910,192.38</u>

Indirect Liabilities: None.

We have audited the Books of the Company for the year ended 31st August, 1916, and certify the above to be a correct statement of the affairs of the Company at that date as shown by the Books.

CREAK, CUSHING & HODGSON, C.A.,

Auditors.

MONTREAL, October 2nd, 1916.

To the Shareholders of  
The Ogilvie Flour Mills Company, Limited,  
Montreal.

Gentlemen:—We beg to report that we have audited the Books of the Company in Montreal, Winnipeg, Fort William and Medicine Hat, for the year ended 31st August, 1916, verifying the Cash and Bills receivable on hand, the Bank Accounts, the Investments, and the Accounts Receivable, in respect of which ample provision has been made for all Contingencies.

The Stocks on hand of Wheat, Flour and Supplies are certified as to quantities by the Superintendents of the various Mills, confirmed by the Mill Reports, and are valued on a safe and conservative basis, taking into consideration the unusually high price of wheat and the contingencies of the markets.

No provision is made for general depreciation, but the cost for repairs and maintenance of the various Plants has been included in the Working Expenses of the year.

CREAK, CUSHING & HODGSON, C.A.,

Auditors.

### PERSONALS.

Mr. E. H. Ambrose, of Mewburn and Ambrose, Barristers of Toronto, has been elected a director of the Landed Banking & Loan Co. to fill the vacancy caused by the recent death of Mr. S. F. Layier, K. C.

A. E. Ames and Co., Toronto, and R. M. Grant and Co., New York, were awarded an issue of \$200,000 ten-year 5 per cent bonds of the Roman Catholic School Commission of the city of Quebec. The purchasing bid was 98.17. Ten bond houses entered bids for the issue.

### UNITED STATES TREASURY REPORT.

The condition of the United States Treasury at the close of business on October 11th was: Net balance in general fund, \$164,503,511; total ordinary receipts, \$2,275,156; total ordinary payments, \$5,828,352.

The deficit this fiscal year is \$67,575,233, against a deficit of \$39,997,444 last year, exclusive of Panama Canal and public debt transactions.

### NEW ONTARIO FIRE LOSSES.

Provincial Fire Marshall E. P. Heaton places the aggregate loss in the Northern Ontario fires at \$2,134,349, while the insurance recovered or claimed from licensed and unlicensed companies is computed at \$1,045,583. The loss by people in excess of insurance is \$1,088,764.

According to the statement of the claims upon insurance companies, \$654,922 is borne by the regular licensed companies and the difference, amounting to \$390,663, is borne by the unlicensed companies.





THE GRAIN MARKETS.

WHEAT: During the past week the most prominent factor influencing the wheat markets of the world has been the decision of the British Government to control the imports of wheat and flour into the United Kingdom, and to provide adequate freight space for grain transportation.

When the decision of the British Government first became known, a general slump in wheat prices was predicted. On the contrary, however, the Chicago market shows practically no change, closing for December option at \$1.57 1/4 on Monday, October 9 and \$1.57 1/2 on Saturday, October 14.

News from the Argentine continues to be unfavorable, where the long drawn out drought continues to inflict heavy losses on the wheat crops of that country. Conditions in the Argentine, coupled with the first published estimate of the 1916 world's crops in which it is calculated that the whole world's wheat harvest will fall 814,400,000 bushels short of last year's, are strengthening the bullish aspect of the market.

Table with columns: Grains, Montreal, Toronto, per bushel. Rows include Wheat Manitoba, Oats, Barley, and Corn.

MONTREAL PRODUCE RECEIPTS.

Table showing receipts of principal commodities at Montreal for the past two weeks, comparing Oct. 14, '16 and Oct. 7, '16.

THE DRY GOODS SITUATION.

Business continues to be brisk in the dry goods trade and the wholesale houses report a very satisfactory autumn season in all lines. Prices are high and tending to go higher, particularly in imported goods, in which the market is very uncertain.

Discussing the situation in Glasgow with the agent of a well-known textile manufacturing firm of that city, the representative of the JOURNAL OF COMMERCE was told that many Glasgow mills were actually running to capacity. In normal times a large proportion of the operatives are women and girls, so that although there is hardly a man left in Glasgow who is eligible for military service, actual enlistment has affected the textile mills less than other industries.

With an increased payroll, and the higher cost of general overhead expenses, the textile manufacturer is obliged to add to his prices at frequent intervals, until many lines have advanced out of all proportion to the demand and have to be eliminated from price lists.

Up to the present the public has not felt the shortage of dry goods that has been impending for the last year, but the autumn retail prices on both piece goods and ready to wear garments have advanced to a marked extent, and everyone is predicting higher prices for the future as mills at home and abroad positively refuse to guarantee orders for future delivery.

Prices of a few standard lines of cottons quoted by wholesale houses to their retail customers follow: There is an active demand for all varieties of coatings and suitings the only difficulty being to obtain adequate supplies from abroad.

Table listing prices for various dry goods items such as Prints, Gingham, Foulards, Cottons, and Blankets.

WINNIPEG GRAIN RECEIPTS.

The receipts of both old and new grain at Winnipeg for the week ended Oct. 14, 1916, compared with the corresponding week a year ago were as follows:

GRAIN AT THE HEAD OF LAKES.

Fort William, Oct. 14th, 1916.

Statement of stocks in store in terminal elevators at Fort William and Port Arthur on October 13th, 1916, with receipts and shipments during the week:

Large table showing grain stocks and receipts for Fort William and Port Arthur, including columns for Elevator, Wheat, Oats, Barley, and Flax.

THE WEEK'S CHEESE SALES.

St. Paschal, Que., Oct. 10.—504 boxes at 21 13-16c. Stirling, Ont., Oct. 10.—550 boxes, 21c bid, no sales. Campbellford, Ont., Oct. 10.—375 boxes white at 21 9-16c.

Table listing cheese sales by variety and quantity, including No. 1 Northern, No. 2 Northern, etc.

Effect of Flour

Special

Winnipeg much concerned it has done everyone's business in the Pratically business to been ever generally cable indi does not business. following government nothing cable mes store conf union gove delivery of much diff will proba ment in t

The we ing is goi is a very fits. The pired and few of th many of men who for a give a week a ing and that in impossi tity of g work the cepts du to 900 ca vances.

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## Conditions in the West

*Effect of British Government's Action.---Threshing Operations.---  
Flour and Cost of Living.---Dominion's Royal Commission.---  
Manitoba's Butter Exports.---Conserving Female Live  
Stock*

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

Winnipeg, October 13th—Attention has been very much concentrated on the wheat market. Not that it has done anything especially spectacular, but everyone is anxious as to the effect of the new order in Britain, appointing a commission to handle all the grain and control the mills and shipping. Practically ever since the order was made the only business that has been transacted in Winnipeg has been evening up of trades, and trading has been generally of a limited character. Today, a special cable indicates that the London Exchange at least does not anticipate any interference with Canadian business. There has been a very decided dread and following the British government, the Canadian government might commandeer grain, but so far nothing has been done along this line, and this cable message from Britain will to some extent restore confidence. If no action is taken by the Dominion government and the British government takes delivery of our grain at seaboard, it will not make much difference to regular trading, although it will probably materially curtail the speculative element in the market.

The announcement that Britain had secured neutral tonnage to move a large part of the Argentine crop to Britain was regarded in Winnipeg as a bear argument for our grain, but of course, it is too early to form any definite opinion as to what the effect will be.

### Threshing Operations.

The weather has been fine all week, and threshing is going forward with fair activity, but there is a very acute shortage of men for threshing outfits. The leave of very many of the soldiers has expired and they are back in camp, and indeed not a few of them are under orders for overseas, while many of the Eastern harvesters who came up were men who could only be spared from their own homes for a given length of time, and when the snow came, a week ago, they decided that it was no use waiting and went home immediately. It is reported that in some districts where they are finding it impossible to thresh at present, that a large quantity of grain is being stacked, but even for this work there is a very keen shortage of labor. Receipts during the week have been running from 800 to 900 cars a day, with an increase as the week advances.

### Flour and the High Cost of Living.

There has been no further change in flour prices during the week, in spite of the decline in wheat, and No. 1 patents is still quoted at \$9.00, and bread is 7 cents a loaf. Winnipeg and most of the western towns are very much stirred up on the question of the increased cost of living, and nothing is receiving more attention than the question of the price of flour and bread. It is understood that Winnipeg is considering to some extent the possibilities of municipal bakeries. The woman's organizations are getting together and making practical enquiries into the cost of both bread and flour. The C. P. R. employees are holding a mass meeting to talk the situation over and it has been mooted that the Provincial government may be requested to appoint experts to look into these matters. Possibly there is nothing more difficult at the present time than to arrive at any accurate information along these lines. Trade has so many ramifications and so many things enter into the cost, the standard of delivery and the care of food has become so much more elaborate than it was even a few years ago that it is impossible to say just how much a loaf of bread should cost. One thing which seems to have been pretty thoroughly proved is that the Winnipeg bakeries use practically no No. 1 flour in their bread; that frequently it consists of 25 per cent of No. 2 and 75 per cent of No. 3. Sometimes one-third of No. 2, one-third of No. 3 and one-third of No. 4. Let no one think that Winnipeg is not getting good bread. The bread is excellent and possibly the revelation of how it is produced may have some effect in proving to families that No. 1 Patents is not necessary for the making of good bread. The writer feels that in view of present war con-

ditions in Canada, possibly the only hope of reducing the cost of living is more economical housekeeping. As a nation, Canadians are very extravagant, in the matter of food, and while so many of our men are fighting in France, it would be a good thing if many of our women could acquire some of the French thrift in addition to their present skill in cooking.

### The Dominions Royal Commission.

The Dominions Royal Commission sat in Winnipeg, Monday, Tuesday and Wednesday, and a very great number of people appeared before them. They were given information on a great variety of topics, so much in fact that it will be remarkable if they do not suffer from mental indigestion, as presumably they got as much at every place as they did at Winnipeg. It must have been somewhat painful and embarrassing for Sir George Foster to find how eternally he ran up against the free trade question in the West. It was supposed to be tabooed, but it "would not down" no matter how carefully he endeavored to suppress it. It was especially in evidence with regard to the live stock business, and over and over again he was told that the only real market for heavy finished steers was at Chicago.

Commissioners Sinclair and Tatlow were especially keen on getting at the root of things, Commissioner Tatlow being especially strong on information with regard to operation of railways. One thing that was pressed home in a paper on the live stock question was the necessity of a proper agricultural survey of Western Canada, in order that its possibilities with regard to soil, water supply, etc., could be available for incoming and individual settlers. Also that some proper grasp would then be obtained on the amount of free pasturage which is going to waste in the West.

Some recent experiments by Mr. G. H. Hutton, Superintendent of the Dominion Experimental Farm at Lacombe, Alta., has laid emphasis on the value of native pasture, he having proved very conclusively that a section of land, fenced and with running water, will carry from 75 to 100 head of steers, and that two year old steers on such pasturage will make a gain of 350 pounds apiece during the summer season.

One whole day of the Commission was devoted to the Winnipeg Grain Exchange, its methods of operation and the general question of handling the grain in Western Canada. For this enquiry the South African delegate sat with the Commission, it being the first and only session which he attended in Winnipeg.

It is somewhat difficult to see what can come out of this commission which will be of benefit to Canada, but the information carried back to their own countries by the various commissioners may possibly result in closer trade relations. One cannot help feeling that at present an enormous amount of time is being wasted which should be actively applied in providing markets abroad for Canadian produce during the remainder of the war and when the war is over. The very word "commission" has come to be regarded in a somewhat doubtful spirit in the West, there have been so many commissions and so little has resulted from their deliberations and enquiries, and such large sums of money have been expended upon them.

### Manitoba's Butter Exports.

Speaking of exporting, Manitoba has been doing a large amount of export made on butter the present season. Already 61 carloads, averaging 20,000 pounds each have been exported, and probably at least another ten cars will move in the course of the next two or three weeks. In the early part of the season the surplus from the Manitoba creameries went to the Coast at the rate of one and two cars a week, and gave great satisfaction. During the last few months the export has been to Montreal, and a part of this has been shipped by Hodgson Bros. and Rowson to Great Britain. This firm stated that they considered Manitoba butter quite equal to the finest Eastern Townships, that the butter sent to Britain had been entirely satisfactory. The make in Mani-

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toba the present season will be between six and a half and seven million pounds, and while the export has been heavy, a large quantity has been put into cold storage here by local dealers who up to three years ago were in the habit of depending entirely on the Eastern Townships butter for their supply for long keeping in cold storage. All of these good things have come about by the establishment of a general system of grading cream, and the government inspection and grading of the butter before it is shipped. The three western provinces now have a uniform grade for butter, and during next week they will ship to George Little Limited, the great British produce house, a car made up of 1-3 from each province. This is a sample car and will be utilized in the Old Country for advertising purposes for the West, and it is expected that there will be a very greatly extended export trade in butter next year. Seventy-five per cent. of our creameries in Manitoba will operate throughout the winter season. It is a very large increase over last year, and more than double the number that remained open four years ago.

### Conserving Female Live Stock.

I spoke the other week of the prompt action taken by the Saskatchewan Government to prevent so large a percentage of our own female stock being taken to the United States. The Dominion Government has now announced a policy along the same lines, but in this case the Dominion is undertaking to pay the expenses of a farmer coming to any of the big central markets, such as Winnipeg, Calgary or Edmonton, to buy a carlot or to buy a number of carlots for himself and other farmers. The Government has also placed three men in the West, one in Manitoba, one in Saskatchewan and one in Alberta. These men will act in an advisory capacity to the bankers, in order to facilitate the financing of the cattle purchased. The Dominion Government, like that of Saskatchewan, is not taking any responsibility in the matter of buying the cattle for the farmers. They must do that themselves and make their own financial arrangements. But the Government agents will not only act in an advisory capacity to the bankers, but where necessary or where requested, will give assistance to the farmers also. D. M. Johnston, who represents the market section of the Dominion Department of Agriculture will have supreme charge of the whole work in the West. He is undoubtedly the best posted man in matters of this kind, west of the Great Lakes, and is thoroughly enthusiastic as to the need of getting the young stock back on to our western farms, to be fed, and in the case of female stock to be bred, for increase. The working out of the Dominion government plan will be watched with very keen interest. The first day that it was in operation, over five applications came in and over 165 head of young females were purchased to return to western farms, showing that there is no lack of interest in this work.

### FOREST FIRE PROTECTION.

There are about 92,000,000 acres of forest land in the United States with more or less private protection against fire and 187,000,000 acres with public fire protection, constituting about one-half the timber area of the country. The expenditure in 1913 by public and private agencies for forest fire prevention was a little less than a million dollars on 250,000,000 acres, or four-tenths of a cent an acre.

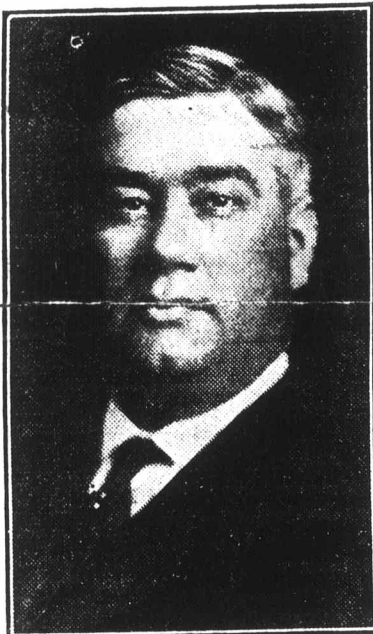
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**SYDNEY AS A DISTRIBUTING CENTRE.**

Sydney, Australia, harbour is widely known as being one of the finest in the world. It is situated on Port Jackson, which is quite landlocked and has great natural shipping facilities. The harbour has a shore line of 200 miles. The water, which is deep right up to the shores, will float the largest ocean-going vessels. The depth at the entrance is 80 feet and the eastern channel has a depth of 40 feet, which can easily be deepened to 60 feet. The rise and fall of tide is from three to six feet. The wharves are 51,000 feet in length, and fitted with the most modern appliances for the quick despatch of vessels. The depth of water at the wharves ranges from 30 to 60 feet. There are four graving docks, of which one, the Woolwich graving dock, is the largest in the southern hemisphere. Another new one, alongside of this, 1,000 feet in length, is shortly to be commenced. There are also five floating docks and five large slips. Underlying Sydney is a coal seam which extends 100 miles north and the same distance in a westerly and southerly direction. The seam varies from four to thirty-three feet, and the depth runs from the surface outcrop to 2,000 feet deep. The estimated quantity available is 1,000 million tons.

With limited exception, practically all the trade of New South Wales, both import and export, is centred in Sydney. It is the terminal port for the Bri-



CAPEL TILT,  
President Lake Shippers' Association,  
Winnipeg.

ish mail and the majority of the cargo steamers from the United Kingdom. It is also the terminal port for the cargo service from Montreal and St. John. Sydney is the principal distributing centre in the Commonwealth and the point from which transshipments from the Pacific coast of North America are made to other Australian ports.

Sydney is the chief shipping port of Australia, while Newcastle, sixty miles north of Sydney, ranks third on the list. The two ports combined are accountable for almost one-third of the total shipping trade of the Commonwealth.

Following are the latest shipping figures given in tons:

	Tons.
Sydney .....	9,018,785
Melbourne .....	6,128,266
Newcastle .....	4,661,703
Adelaide .....	3,505,443
Brisbane .....	2,832,819
Fremantle .....	2,399,275
Townsville .....	1,597,173
Albany .....	1,403,135
Hobart .....	850,424

The above figures are for a period of twelve months. Sydney is now the eighth port in shipping importance in the British Empire.

**ALLIES COMBINE TO BUY GRAIN.**

Great Britain, France and Italy have definitely taken over the entire purchasing of all grains for those nations, all transactions to be made through a government commission, the same to be done on an equitable basis, free on board terms, with the right to commandeer and requisition freights at its pleasure. Fully 90 per cent of the grain buying for these countries in the United States is already carried on by two commissions located in New York, so that only the remaining 10 per cent is affected by the new arrangement. The result will be that American brokers will deal with official representatives of the Allied Powers instead of individual merchants. The action of the European governments stops the business of their own grain dealers direct with American concerns. Nothing is known as yet as to what this move on the part of the Allied Powers foreshadows, but exporters in this country and the United States appear to think that there will be an attempt to regulate export prices, and possibly the Canadian wheat



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Winnipeg.

crop, or at least a portion will be commandeered. The Australian crop is under government regulation and practically under the direction of the British government. The same is true of the Indian crop. It is believed that the commission will operate in all parts of the world, thus including the Canadian, Argentine, Australian and United States crop.

**Buys Australian Wheat.**

Later advices from London state that Premier Hughes, of Australia, has announced the sale of 500,000 tons of wheat to Great Britain. The price at which the sale was made has not been disclosed, but the transaction is understood to clear the way for the financing of the new crop.

**LAND FOR RETURNED SOLDIERS.**

The New Brunswick Government Farm Settlement Board and Advisory committee, have just completed an investigation of settlement lands on the transcontinental railway for returned married soldiers, and will recommend the selection of a site twenty miles from Moncton. The lands picked out by the Board will be laid out in communities of not less than 100 families, radiating from the central or governmental farm, where church, school and other buildings will be established. No settler will be more than two miles from the railroad. The lots range from ten to one hundred acres, and will be sold to married veterans on easy terms. Each community will have a resident superintendent. A uniform set of buildings will be erected on all the lots, and the whole community will be connected by telephone with the central farm, which will have outside connection with the whole province. Teams and implements will be available for hire at a low rate, and co-operative purchasing and marketing will be encouraged. The settlement will be beautified and made as ideal as possible.

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**BIG DEVELOPMENT OF SHIPPING  
SECURITIES.**

Stated that Canada-Great Britain Services Will be Regrouped.

Cables have been active during the week foreshadowing a big development of shipping services between Canada and Great Britain. It is stated that important negotiations are now taking place and that a "regrouping" of the shipping companies is probable, which will "affect the Canadian Pacific, the Allan, the Canadian Northern and the Cunard lines."

Early in this month it was pointed out in the "Times" that the Anchor Line was understood to have acquired an interest in the passenger ships of the Donaldson Line, which trades to Canada, and it would seem likely that this development has given rise to the present report. The interest in this transaction was enhanced by the fact that the Cunard Company holds a controlling interest in the Anchor Line and that a few months previously the Cunard had concluded a far-reaching agreement with the Canadian Northern Railway Company, and had acquired the vessels owned and controlled by that company.

The Canadian Pacific Company now owns the Allan Line, the vessels of the two companies being managed by the Canadian Pacific Ocean Services (Ltd.), and the White Star Line is associated with the Dominion Line as being joint subsidiaries of the International Mercantile Marine Company of New Jersey. The passenger lines in the Canadian trades may, therefore be separated into three principal groups as follows: Canadian Pacific and Allan Line; White Star and Dominion; Cunard, Anchor, Canadian Northern and Donaldson.

The Cunard has gradually been extending its trade with Canada since it acquired the Thompson Line in 1911.

**MERCHANT SHIPS BUILDING.**

A substantial increase in merchant shipping under construction for the three months ending October 1st is reported by Lloyds. The report shows that on October 1st there were 469 vessels building representing a total of 1,789,054 tons. This represents about 249,000 tons more than the amount under construction at the end of the previous quarter, and 253,000 tons more than that building a year ago.

**MERCHANT VESSELS OF GREAT BRITAIN**

In our last issue there was an interesting article on this page relating to the merchant shipping destroyed since the beginning of the war. The table of total losses of each nation compared with the number of ships and total tonnage gave the tonnage of steam and sailing vessels owned by the United Kingdom in 1915-16, as 10,541,364 tons. This number should have read 19,541,364, the error being due to typographical mistake.