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## The Journal of Commerce

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Capital Investments After the War.  
By W. W. SWANSON.

Reconstruction—The First Chapter.  
By J. W. MACMILLAN.

Conditions in the West.  
By E. CORA HIND.

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## The Greatest Obstacle of Peace

WHEN the moment arrives at which the representatives of the belligerent nations become ready to sit down to talk of peace terms, the probability is that the greatest difficulty will be the question of what shall become of the German colonies that have been captured by Great Britain and her Allies. That Belgium must be restored to the Belgian people must by this time be clear to every German who has made any effort to understand the progress of the war. What shall be done with Alsace and Lorraine may be a debatable question. To surrender these Provinces to France will be a great humiliation to Germany, but one that may be regarded as unavoidable when Germany no longer dictates terms. Probably it will be even harder for Germany to contemplate the abandonment of the lost colonies. The desire for colonial expansion has been one of the most prominent features of German policy for many years. The vast colonial possessions of Great Britain have been viewed with jealousy by the German rulers. The "place in the sun," which they so often claimed in their discussion of world affairs, included the opportunity to carry on an increasingly wide policy of colonial development. When the mad Kaiser entered upon his war he made many miscalculations. He was so busy thinking of the revolts that were to break out in the British colonial possessions, that, apparently, he overlooked what might happen in the overseas countries where the German flag flew. Kiao-Chau, on which millions of German money had been spent, was quickly captured by the forces of Japan. The people of Australia, New Zealand and South Africa not only remained loyal to the Empire, but attacked and captured the German colonies in the Pacific and in Africa. While the German flag was being advanced on the European territories of France and Belgium, the German merchant fleet was swept from the ocean, and the German flag was hauled down on great regions overseas. It was a heavy blow to German pride and to German hope of future greatness.

That much importance is attached by Germany to the recovery of the lost colonies was frankly admitted in a recent speech by Dr. Solf, the German Colonial Secretary. According to Dr. Solf, whatever else may happen, the terms of peace must include the return of these colonies to the German flag.

But if Germany is thus resolved, there is an equal determination on the other side that what Britain has she must hold. In Australia and in South Africa there is the strongest opinion that the flag that has been raised over the Pacific and African colonies that were formerly German shall not be hauled down. Premier Hughes, of Australia, who is now in

England, has been most vigorous in voicing the views of the Commonwealth's people. The island of New Guinea, on which the Germans had a foot-hold, is too close to Australia to be allowed to be in the possession of a hostile nation.

Sir Charles Hibbert Tupper, who has just returned to Vancouver from Europe, has given to the Vancouver World an interview, in which he speaks disapprovingly of Sir Robert Borden's attitude on public questions during the recent visit of Canadian Ministers to London, and particularly of Sir Robert's failure to support Mr. Hughes on the question of the German colonies. "I regret very much," said Sir Charles, "that Premier Borden did not in any of his public utterances either take the lead or even support Premier Hughes in his contention with regard to what should be done with the German Pacific possessions."

It is well to remember that the terms of peace are not to be made by Great Britain but by the Allies. Doubtless that fact has had some influence hitherto in modifying the utterances of British statesmen on the subject.—Premier Hughes and Premier Borden are members of what is called the Imperial War Cabinet, but that is really only an advisory committee, having no executive power and no international standing. It is the British Cabinet, responsible to the British Parliament, that must speak for the British Empire. Mr. Hughes, no doubt, felt that in such a situation he had a greater freedom than the statesmen of Great Britain to give expression to his views concerning the German colonies. If Sir Robert Borden had endorsed the Australian Premier's utterances, he would have found few Canadians objecting, for the contention of the Australians is one that is likely to find favor in the Empire generally. It is noticeable that some of the leading British statesmen, who a little while ago treated the question with considerable reserve, have lately spoken in strong terms in favor of the policy of holding the captured colonies. Not long ago Mr. Lloyd George used language which was interpreted to mean that all disputed questions respecting territories affected by the war should be left to the determination of the occupants of such territories. It is very properly pointed out that the native races who form the bulk of the population of the former German colonies, are not sufficiently advanced in the science of government to enable them to settle the question in that way. These people will have to be treated as the wards of the enlightened nations, and there is little probability that Germany will be able to show from her experience that she is worthy of having the native races placed again under her care. While the matter cannot be formally settled until the terms of peace are agreed upon, it is more than likely that an expression of the views of the Allies has been had, and that the retention of the colonies by Great Britain will be approved.



ed. Unless something like an understanding of this nature had been reached, it is hardly probable that Lord Robert Cecil would have made his recent very strong speech, in reply to Dr. Solf, in which the British Minister treated the retention of the colonies by Great Britain as one of the essential features of any peace agreement that may be made. Britain should, and will, endeavor to retain the captured colonies, not because Britain desires territorial extension, but because Germany has shown her unfitness for the task of governing the native races, and because Germany's restoration to power over them would be a menace to neighboring countries.

### Daylight Saving

HOW prone people are to see danger in every proposed change was well illustrated in the case of the proposal for the adoption of the time arrangement commonly spoken of as "Daylight Saving." In some cases where the new system was voluntarily adopted for certain districts it was soon abandoned, because neighboring districts rejected it, and embarrassment ensued. When the proposal was made in Parliament to adopt the system for all Canada very strong objection was taken especially by representatives of some farming sections of the country. But when the measure went into operation the anticipations of trouble were not realized. The clocks were set to the new system, and in a few days people forgot that there had been any change. In the cities and towns the additional hour of daylight was a substantial advantage. In the country districts the system does not appear to have produced any disadvantage. The farmers arranged their work to suit themselves, and did not worry about the clock.

The experiment which so many people looked upon with doubt, appears to be an unqualified success. On the 31st of October Canada will return to the old system. In the United States the date for the return is October 27. If anything can be done to have the change made in both countries at the same moment that would be a very desirable position. Uniformity of action between Canada and the States is found to be an advantage in many things at present. This is one of the cases in which simultaneous action would be convenient.

### Municipal Muddles

BROADLY speaking, it is in municipal business rather than in the wider field of National affairs that the most difficulty of government is experienced. In National and Provincial or State politics the party system, notwithstanding its admitted defects, tends to promote stability of government. In municipal affairs there is an absence of that steady, if not always wholesome, influence. In municipal business more than in any other department of public affairs, the citizen is apt to become indifferent and careless, the consequence being, in many cases, that the business of the city or town concerned falls into almost hopeless confusion.

Here in Montreal we have had to confess the failure of democratic government and to establish a system of rule by Commissioners not chosen by the people. Down in Halifax the people have been struggling with their municipal problems for a long time and now, apparently, have thrown up their hands in despair. For a great many years the old system of government by a Mayor and Ward aldermen prevailed. Reformers agitated for change

and the city adopted what is known as the Board of Control system. That also proved unsatisfactory. Public opinion seemed to be divided between three methods of government—the old aldermanic system, the Board of Control system, and the Commission system. The Legislature, in an effort to find out what the people wanted, provided for a plebiscite, in which the three systems were to be submitted to the voters. The plebiscite came on a few days ago. Out of an electoral list of nearly 8,000, less than a thousand came to the poll to vote. The old aldermanic system received 654 votes, the Board of Control 55 votes, and 116 voted to turn the city business over to a Commission as in Montreal. A vote of one-third of the possible number was necessary to carry any of the systems submitted to the people, and as none received that many, the result of the movement is that no change will be made. In the midst of the confusion created by these efforts to settle the system of government, the Mayor and City Council have got into an extraordinary tangle. The Mayor having taken the liberty of telling the members of the Council that they were "fools," and having declined to apologize for or withdraw the characterization, the members of the council have resigned in a body. Now, with many pressing matters of business requiring attention, there is nobody to deal with them. Truly, the problem of municipal government is a hard one in a democratic country.

### Paid in Their Own Coin

THE principle that he who is smitten on one cheek should offer the other for the same treatment comes from very high authority. If the spirit of it could be adopted generally, the world would be much better than it is to-day. But experience has shown that in war, at all events, such a rule cannot be applied with success. When the Germans, in the early days of the war, employed noxious gas as one of their weapons, the civilized world was shocked. Suggestions that the Entente Allies should do likewise were warmly condemned in many quarters. But in the end the Allies had to realize that benevolent treatment would be wasted on the Germans. Since the Kaiser's soldiers would use gas, the only effective way of meeting them was to give them some of their own medicine. So gas came to be used by the Allies. Many a German soldier who has met it has had reason to regret that such a barbarous form of warfare was begun by the German army.

Germany has had a somewhat similar experience in the field of air-plane operations. The German aviators were not content to attack fortified towns. They threw their bombs down on places where there were no military operations, where non-combatants—women, children and hospital inmates—were the victims. Proposals for reprisals were at first received with much disfavor. British soldiers shrank from that kind of warfare. But it soon became evident that these humanitarian considerations extended to the Germans would be a case of throwing pearls before swine. Germany had to be met again, to some extent at all events, with her own methods. Britain, even in the face of such temptation to retaliate, will not attack German hospitals. But the German towns have to be taught that the weapon their military leaders have so ruthlessly used can be turned against them effectively. If air raids are to be part of the war-game, the Germans must be made to understand them. The British airmen have been busy lately in acquainting the people of the German towns on the Rhine

with what air raids mean. It is not surprising that this experience is bringing some Germans to their senses. Representatives of eleven Rhine towns met at Saarbrücken and decided to "appeal to the German headquarters to come to some arrangement for both sides to abstain from attacks on open towns."

### Economy and Profit

SOME useful lessons may be learned from the history of enterprises which cater to the wants of the common people. In the hotel business, for example, the larger and more pretentious hotels in London are seldom found profitable in these days. But the hotels of a good class which furnish all the real needs of people, without glitter and useless show, are doing a flourishing business. The restaurants of the so-called highest class share the depression, but those which give a substantial service at moderate cost are prospering. A notable example is seen in the business of J. Lyons and Co., of London. The company was established by the late Sir Joseph Lyons, a Jewish citizen of London, who many years ago became seized of the notion that there was need of a system of catering which would supply the London public with good food and accommodation at moderate charges. The Lyons tea shops, to be found all over London, became one of the institutions of the great city. Then, public confidence in the management being shown, the business was expanded to include restaurants and hotels. Restaurants which in other hands were unsuccessful became flourishing when taken over by Lyons. Hotels were acquired or built to meet the needs of the travelling public, and gave a service which was less luxurious than that of the more noted houses, but nevertheless was excellent in all the essentials of comfort. Sir Joseph Lyons died a year or two ago. The business established by him seems, however, to have been placed on a sound basis. At the annual meeting of the company, held recently, the financial statement showed a very prosperous condition. After meeting all obligations and providing liberally for depreciation, the company declared a dividend of 25 per cent. The profit is a handsome one. In some lines of business it might be regarded as an excessive one. But good management has enabled the company to earn this profit while still charging moderate prices for the service it gives, and nobody seems to begrudge the company its liberal dividend.

### A Compliment to Dr. Swanson

A CORRESPONDENT writing from the office of a well known American journal of commerce and finance, sends us the following:

"I wish to congratulate you on the article 'Germany's Economic Aims,' by W. W. Swanson, appearing in the Journal of Commerce of Aug. 27. It displays the deepest understanding, and is the ablest presentation of the real inwardness of the war I have seen with the possible exception of the 'Solution of the European Crisis,' by Hiram Lambert, of Belgium, a somewhat larger and more detailed presentation of the subject."

Dr. Swanson, who was for some years on the staff of Queen's University, Kingston, is now one of the professors of the University of Saskatchewan at Saskatoon.



## Capital Investments After the War

By W. W. SWANSON.

It is a matter of supreme importance to Canada that the flow of capital after the close of hostilities shall once more be directed to productive enterprise in this country. Wonderful as the achievements of the Dominion have been since the outbreak of war, in financing its own requirements, we shall require, with increased population and renewed industrial activities, large sums of capital from abroad. Up to August, 1914, the Dominion had received from abroad not less than \$3,000,000,000, by far the greater part of which had come from the United Kingdom. Although there has been much talk in the financial press, of the country relying upon its own financial resources to a much greater extent than in the past, it is clear that we must be a borrowing nation for many years to come.

Since the outbreak of hostilities the so-called unfavorable balance of trade has been completely reversed, exports exceeding imports for the last fiscal year by about \$500,000,000. This is a matter of congratulation, to be sure, since the country has been compelled to find its own funds to finance the war, and has relied upon productive effort to meet interest due the United Kingdom. Contrary to generally accepted opinion however the mere fact that imports exceeded exports, before the war, brought no disadvantage to this country. Canada, Australia and the Argentine, will be, for a generation to come, still in the pioneer stage of economic development; and during that period will imperatively require heavy supplies of outside capital. In that event the balance of trade is likely in a few years to swing once more against the Dominion. But that should give no cause for concern, being a quite natural result of the stage of economic development that the country has attained. Let it be kept in mind, in this connection, that even the United Kingdom—the richest nation in the world before the war, as far as fluid capital was concerned—had a heavy balance of trade against it. To the uninitiated, it was a constant enigma that Great Britain, year by year, imported hundreds of millions of dollars worth of goods more than it exported, and yet the exchanges were usually in its favor. This simply meant that the United Kingdom had laid the world, through capital investments abroad, under tribute.

Intelligent publicists must perforce pay far more attention than they ever gave before the war to this fundamental problem of the effect on political relations and economic world progress, of capital investments abroad. Broadly speaking, there have been two types of such investments—the kind that has contributed so much to the industrial progress of Canada, and the type that has kept the Balkan States and Turkey-in-Asia in turmoil. It is the latter form of international investments, so largely tinged by political color, that has been a continual menace to the peace of the world. In this connection it may be well to point out that the United Kingdom during the course of the struggle, in addition to financing its own requirements, has come to the aid of its Allies to the extent of \$8,000,000,000; while the United States has advanced to the Entente, Belgium and Italy, an approximately equal sum. This means that the two greatest democratic powers in the world, whether under formal agreement or not, must work together for the preservation of peace in Europe, where they have so much at stake.

A concrete study of modern history, stripped of its glamour and romance, demonstrates that the root causes of the present struggle were largely economic in nature. Germany arrived late on the international stage, and determined to seize by force what she had lost by internecine quarrels during the last three hundred years. Again, contrary to generally accepted opinions, Germany had made really astonishing progress in colonial expansion up to the outbreak of war. In Asia Minor, in South-west and South-east Africa, in the Pacific, and in China, the Fatherland had not only extended its trade, but planted its flag. Not content with the fruits won by economic progress and diplomatic activity, Germany—as the London lectures of Professor Hans Delbrueck, among other things, show—had determined to employ military might to achieve that place in the sun which its historical blunders had precluded. Imperialism, colonial ambitions and trade jealousies largely account for the German policy with respect to commercial concessions in Morocco, the construction of the Berlin to Bagdad Railway, and the seizure of Kiao Chou. "Realpolitik" was the stern prin-

ciple which Germany applied to the exploitation of her military power throughout Africa and in the Near and Far East.

It is strange that capitalistic enterprise, which has done so much for the progress of humanity, should have been largely responsible for the outbreak of war. At the beginning of hostilities the United Kingdom had invested in all parts of the world somewhat more than \$26,000,000,000, and was enlarging those investments at the rate of about \$1,000,000,000 per annum. These investments, both from the political and the economic point of view, made for substantial progress. The railroads of America, both of the United States and Canada and the Argentine, were largely built with British capital, as were those of Australasia and India. Immense engineering enterprises were undertaken and made possible by England's wealth, everywhere throughout the world. As is well known English capital was invested abroad either in the form of bankable funds, including gold, or material goods. Canadians are well aware that through the use of English money, enormous supplies of construction materials were imported from the United States. However, roundabout the process might have been in last analysis, it consisted merely in an exchange of goods for goods—British products being exported everywhere and paid for with the fruits of the labor and enterprise of those nations that secured them. In no way could English investors be said to have done anything other than stimulate the economic life of the countries that secured British capital, as well as helping to maintain stable government.

The United Kingdom, Holland and France, were the great lending powers that furthered the progress of the poorer nations in this manner—capitalistic enterprise that brought social and material gains to both creditors and borrowers among the nations. On the other hand, Germany, also a wealthy nation—the second in point of wealth in Europe before the outbreak of war—lent itself, in addition to the type of enterprise described, to investment ventures of a quite different nature. Russia, Japan and Italy, debtor nations themselves, curiously enough took part in capitalistic ventures abroad. We do not by any means intimate that the United Kingdom and France, as far as foreign investments were concerned, were given over wholly to altruism; but nevertheless, in the main, English, French and Dutch capital was placed abroad for essentially productive ends. It was quite different, however, with the type of investment that concerned itself almost entirely with securing concessions and commercial privileges from corrupt or unstable political powers.

Reduced to its simplest terms, much of this so-called investment process degenerated into a scramble to secure special privileges and a favorable trading position in the countries to be exploited. In Turkey, in Morocco, in Asia Minor, in China and elsewhere—notably in Mexico—capitalistic enterprise took the shape of securing franchises and monopolies. Necessarily this involved an immense amount of intriguing, in which corrupt governments were bribed to sell to concessionaires valuable privileges away below their actual market value. Central American Republics, Mexico and South America, on this side of the water, proved fertile fields for European financial enterprise of this nature. This involved a continual menace to the free political development of

the Americas. Everyone will recall how Germany attempted to secure a foothold in Venezuela on the pretext of collecting claims for bankers and industrial interests of the Fatherland. At that time the Monroe Doctrine was put to a supreme test. President Roosevelt cut the Gordian knot by ordering the Kaiser to withdraw his fleet at short notice from Venezuelan waters, the United States guaranteeing to make the South American Republic fulfill its just obligations. Mr. Roosevelt had no intention of permitting German Kultur to secure a stranglehold on Venezuela under the guise of a debt-collecting expedition. Nevertheless, this incident threw into sharp relief the menace to the political life of this continent through permitting predatory and unscrupulous European capitalists furthering, under the guise of concessions, the political interests of the States behind them.

It was a common enough ruse of the European Powers, as well as of Japan, to carry forward political aspirations under the guise of securing mining, railroad, oil and other concessions. The controversy over the control of the North China Railroad and the Manchurian Railroad, between Russia and Japan, centered not so much around the economic exploitation of that vast and fertile territory, but around ultimate political control. The same is true of the intrigues carried on in the Turkish Empire, especially in the building of the Bagdad Railway. Capital investments which depend for profit upon special privilege, monopolies and concessions, always carried with them the threat, real or unintentioned, of political control or influence in the countries concerned. This has been true of China, of the Balkans, of Morocco, and the Near East. It is safe to say that the rivalries and jealousies based upon concessions of this nature, were the real cause of the present war.

Up to 1870, it was not the custom of the Great Powers to protect their subjects in capitalistic adventures abroad. It is well known that the English and French capital, for example, that was poured into Egypt in the decade 1870—1880, went unprotected by England and France until a new conception of the relation of private enterprise to political prestige and political penetration was developed. It was after 1870, also, that Germany appeared upon the scene in the guise of a colonial Power. Germany, more than any of the other nations, developed the doctrine that political protection and the flag must follow trade and commerce. This led to the placing of loans with tottering and corrupt governments, because it was felt that interest and principal could be collected by the help of military power. Profit was the first object sought in capitalistic ventures of this nature; but ambitious governments soon discovered that economic exploitation was the quickest and most direct road to political control. As long as the United States and the great European Powers lend their support to the collecting of claims carrying extortionate interest rates, or making concessions valid that have been secured for next to nothing, or with no relation to their market value, we may expect that capitalistic enterprise will remain an impelling motive for future wars.

The only solution is to make the industry and commerce, and the exploitation of the undeveloped countries of the world, free to enterprise and capitalistic ventures irrespective of political power or prestige. This does not mean that the United Kingdom, the United States, France and the other Powers, shall not help their nationals to make good valid claims—it merely means that claims based upon extortion, intrigue and threat of military control shall be thrown upon the rust heap. Only that way lies sane political and economical progress in the field of international finance.

### LINCOLN'S PLEA FOR THRIFT.

The following is an extract from an editorial which recently appeared in the New York Evening Mail:

"Teach economy. That is one of the first and highest virtues. It begins with the saving of money."

That was Abraham Lincoln's advice to the America of his day. It is good—supremely good—advice for the America of our day.

If Lincoln were living to-day he would plead with that convincing force which has left an impress upon the world—for thrift. He would plead for the elimination of every form of waste in our individual lives. He would plead for an end to that reckless consumption which in the past has marked too large a part of the American people as spendthrifts.

Lincoln's plea for economy applies with new force to this day and generation. Never has it been so essential to the life of America and the good of the world that every American shall increase his productive powers and reduce his consumption.

Lincoln's advice to America—the America which he so mightily helped to preserve—is:

"It is not merely for to-day, but for all time to come that we should perpetuate for our children's children that great and free government which we have enjoyed all our lives in order that each one of them may have through this free government, an open field and a fair chance for industry, enterprise, and intelligence; that they may all have equal privileges in the race of life, with all its desirable human aspirations."

And one way in which every American can do his part toward handing down this heritage, unrestricted and unencumbered, is by making thrift a daily habit.



## Conditions in the West

By E. CORA HIND.

The following is the substance of the fifteenth annual crop estimate issued by the writer for the Manitoba Free Press, and as intimated last week, it is rather a more cheerful document than was looked for a month ago:

The figures for the three provinces are:

Wheat	149,844,000
Oats	183,045,000
Barley	41,957,000
Rye	1,724,000
Flax	5,056,300

Divided as to provinces the returns show:

MANITOBA.			
	Acres seeded.	Average yield.	Total.
Wheat	2,616,000	18	47,124,000
Oats	1,500,000	40	60,000,000
Barley	715,000	35	25,025,000
Rye	50,000	15	750,000
Flax	16,300	7	114,000

The average of 18 bushels for wheat is regarded as safely conservative in view of the enormous areas in the north that have up to the present writing escaped all damage from frost, and where the average yield is likely to be 30 bushels. The yield would have been still higher had it not been for some damage occasioned by black rust in the south and southwest. The plague came late and has done comparatively little damage, but it has done some. Manitoba has a wonderful barley crop and the estimate of 35 bushels is probably too low, and certainly the government figures of acreage are too small. The difference is due to large areas of barley that were seeded on land that had been partially prepared for summerfallow after the original estimate of acreage had been made. The acreage of flax is also absurdly small. There were over 6,000 acres seeded to fibre flax alone to say nothing of the ordinary milling flax, but as they are government figures they have been used as the nearest guide obtainable.

### VALUE.

A rough estimate of the value of the crop is:

Wheat at	\$2.05	\$96,604,200
Oats (will be mainly for seed)	1.00	60,000,000
Barley at	1.00	25,025,000
Rye at	1.68	1,260,000
Flax at	4.00	456,000

Or a total for the five cereal crops, \$183,345,600

This takes no account of the 10,000,000 bushels of potatoes, the wonderful hay crops, the roots, the sales of livestock and the tremendous returns from dairying, that will equal another hundred million at least. It looks as if Manitoba would be able to indulge liberally in victory bonds next month.

There have been many disappointments; the crop has been expensive to produce, the harvest weather has been the coldest and wettest since 1899, but in spite of all these drawbacks, Manitoba has a good paying crop and fully 80 per cent of it is to-day beyond damage from frost, though not from continued wet weather.

### SASKATCHEWAN.

Saskatchewan has been hard in many districts, first by drought and last by frost in July, but in view of the present prices, Saskatchewan has, as a whole, a paying crop.

	Acres seeded.	Average yield.	Total.
Wheat	3,222,000	10	92,220,000
Oats	4,602,000	25	115,050,000
Barley	663,500	22	14,597,000
Rye	70,000	12	840,000
Flax	753,700	6	4,522,200

### VALUE.

The value of this crop based on present prices is roughly:

Wheat at	\$2.00	\$184,440,000
Oats at	.80	92,040,000
Barley at	1.00	14,597,000
Rye at	1.68	1,411,200
Flax	4.00	18,088,800

Or a total for cereals, \$310,577,000

In common with Manitoba, Saskatchewan has heavy returns from livestock and dairying though not from hay.

### ALBERTA.

The freak season has hit sunny Alberta harder than either of her sisters. Extreme drought in the south and heavy July frost in the north have taken

desperate toll of the crops, but even here there is not a total failure.

Wonderful recovery has been made in some of the districts of the south, since the rains came and the returns from the irrigation belts will be very large, and to some extent offset the lack on the dry lands.

The frosted districts in the north have made considerable recovery and it now seems pretty well assured that Alberta will have: Wheat, 10,500,000 bushels; oats, 10,600,000; barley, 2,335,000; rye, 134,000, and flax, 420,000 or a cash value at present prices of \$33,768,120.

Very inadequate returns for the areas seeded and the outlay for the same, but a very long way better than nothing.

I do not claim for these estimates that they are likely to be as accurate as usual, the season has been so extraordinary and the crop is so spotted that the threshing machine and the inspectors' offices will be the only absolute source of knowledge, but the feeling is strong that the estimates if anything err on the side of caution.

The past few days and nights have been very cold and there is much late crop, but the degrees of frost reported from many districts where crop is late are not sufficient to materially lessen the yield though undoubtedly some toll will be taken of the grade. The province in most danger is Saskatchewan and the crop that will be likely to suffer as to yield will be the late oats of which there are many fields. The chief matter of regret in the present crop is the small amount that will be available for overseas. At

least 25,000,000 bushels must be retained for seed, but if Canadians were patriotic enough to deny themselves and reduce their bread ration to 4 bushels per capita, as might easily be done, there would be over 90,000,000 for export.

Since the publication of this estimate, the Alberta government has got out a much more optimistic one on the crop, placing their wheat at 5 bushels to the acre, and their barley at 12 bushels, and it is to be sincerely hoped that this latter estimate is correct. I find it difficult to realize that it can be so, however, the crops of the whole country this year are so spotted that it is almost impossible to estimate correctly, and the officials of the Department of Agriculture have possibly covered more territory than anybody else, as they have been actively engaged in securing supplies of feed and moving cattle to and fro.

### LIVESTOCK.

The livestock situation, so far as cattle and sheep are concerned, is fairly satisfactory. The movement of young female cattle back to the land has been very large, over 2,500 head have been sent back from the Winnipeg yards alone, and very large numbers from both Edmonton and Calgary. The northern parts of Saskatchewan and Manitoba especially, are taking a very largely increased number of both breeding and feeding stock. All of the provinces are holding sheep and swine sales next month, and the indications are that the demand for sheep will be excellent. There is some apprehension at the present time with regard to the supply of coarse grains for finishing hogs, and also as to what the market will be for the largely increased number of hogs that has been produced, and inquiries are beginning to be made as to what provision the Dominion Government is making to facilitate the marketing.

## Mentioned in Despatches

**MR. GEORGE CAHOON, Jr.**, who presided at the annual meeting of the Laurentide Co. a few days ago, is one of the best known paper men in the Dominion. Mr. Cahoon is an American by birth, and comes by his knowledge of the paper business naturally, his father being a prominent paper maker south of the Line. Mr. Cahoon has been identified with the Laurentide Co. for more than a score of years, and has seen it grow from a somewhat small corporation, to its present proportions. Much of the success attained by the company is due to his untiring efforts.

**GENERAL RAWLINSON.**—The latest fighting in which the British have been taking part recalls names that were on everyone's tongue two years ago, when the first battle of the Somme took place. Men like Rawlinson and Byng in command of two of the British armies at the present time are well known warriors. General Rawlinson was in command of the British army on the Somme in 1916, and made a big name for himself. To-day he is in command of the Fourth Army, which is fighting over the old ground. He is a tried old warrior, having seen service in India, Burma, the Sudan and South Africa. He went out to France with the first expeditionary force and commanded the Fourth Army in the retreat from Mons. General Rawlinson is one of the best commanders the British have.

**LORD SOUTHBOROUGH** has been elected a director of the Grand Trunk Railway Company, succeeding the late Col. Frederick Firebrace. Lord Southborough has been a prominent figure in public life for many years, is an acknowledged authority on railroad problems and is widely known in Canada and the United States. The new director, who was recently elevated to the peerage in recognition of his services to the Empire, is better known as Sir Francis Hopwood. He began his public career in the Board of Trade, was Secretary to the Railway Department, and became permanent Secretary to the Board of Trade, relinquishing that post to become Under Secretary for State for Colonies. He was employed on several occasions by the Imperial Government on missions to Canada, Newfoundland and the United States, and founded the Hospital and Medical Service for the Canadian and Newfoundland fishermen. He was chosen as the British delegate to the International Railway Congresses in London and in Paris, and was a member of the Royal Commissions on London Traffic, on Shipping Rings, on Canals and on Electoral Reform, and a member of the Commission to South Africa to advise on the constitution for the Transvaal and Orange River Colonies.

**SIR HERBERT PLUMER**, another British general in command of the Second Army, holds the Ypres salient. Plumer, who is a grim old fighter of the old school, saw service in the Sudan and in South Africa. He has had a difficult part of the country to fight over, but has held on in spite of overwhelming odds.

**MR. MATTHEW WILSON**, of Chatham, Ont., a former President of the Canadian Bar Association, was a prominent figure at the annual convention held here a few days ago. Mr. Wilson is not only prominent in legal matters, but is a director of a large number of corporations, and at the same time takes a keen interest in the religious work of the Church of England.

**SIR JULIEN BYNG**, in command of another British army, is well known to Canadians, through having commanded the Canadian corp in the early days of the war. He is generally regarded as a Kitchener man, being a protegee of that famous fighter. Byng saw service in Egypt and South Africa, and has been in the thick of the fighting during the present war, serving first in France and Flanders and then going to Gallipoli, when things went badly out there. Byng was in command of the British forces that made the surprise advance with the tanks at Cambrai, a year ago.

**SIR JAMES AIKINS**, familiarly known as "Jam" Aikins, presided at the annual convention of the Canadian Bar Association, held in Montreal last week. Sir James is a prominent figure in the political and judicial life of Manitoba. He was born in Ontario in 1855, and educated at the University of Toronto. After graduation he went to Winnipeg, where he took up the practice of law. He represented Winnipeg in the Federal House, and later was made Lieut.-Governor of the Province. He is also keenly interested in prohibition, and is a generous contributor to religious and philanthropic movements.

**MAJOR NEIL McDONALD**, better known as "Foghorn" McDonald, who was arrested a few days ago for wearing the uniform of an officer while not on duty, and without permission, is one of the most famous Canadians in the expeditionary force. "Foghorn" is known from end to end of the continent as a mining engineer and was engaged in mining operations in the far north when war broke out. He enlisted as a private, but won promotion, returned from the front on leave, and later was discharged. "Foghorn" has hosts of friends, who trust that the present little misunderstanding with the Government will be satisfactorily cleared up.



# Reconstruction--The First Chapter

By J. W. MACMILLAN.

One can perceive, from the number of articles in the newspapers, that the thoughts of the Canadian people, are turning seriously toward the question of reconstruction after the war. Recent events on the western front have released the strain of anxiety, and, with the restoration of confidence that victory is coming sure and soon, the alarming picture of certain industrial dislocation and upheaval to follow the declaration of peace is beginning to disturb us.

The whole question of reconstruction is a very big one, and it is to be hoped that the temper of the citizens of the Dominion will be such as to demand far-reaching changes in the social order. The example of Britain is before us. There we behold the nation resolved to begin a new era, so soon as the guns have ceased to fire. Not only in the platform of the labor party but in the utterances of the most conservative statesmen is this resolve apparent. It is to be a new Britain, more alert in business, more sane in education, and with a fairer distribution of goods among the people. Now is the time for a similar policy in Canada. If the necessity is not so pressing as in the mother country the reason lies in the lesser density of our population. The same social forces which have produced lassitude, unworthy pride, and indifference towards the miseries of vast portions of the people exist among us, and only await the march of events to produce their harvest. We in Canada have the advantage of being able to prevent what the people of Britain are being forced to cure. We should seize the golden occasion, and taking their programme as an inspiration and the suggestion of a programme for ourselves, set about heading off the injustice and wretchedness which otherwise are sure to come.

But there is something which must be done sooner even than that. We must prepare for the day when the munition orders cease. For they will cease in a single day. One million dollars a day, now being distributed among us, will suddenly be cut off. An army of a quarter of a million workers will suddenly lose their jobs. One adult worker represents four or five persons, the little group whom he supports. Thus a million of our people, a sixth of our entire population, will be thrown, as the expression is, "on the street." Add to this the returning soldiers, hundreds of thousands of them, less fitted for their old occupations than before they enlisted, returning in many cases to find their old occupations closed to them. And they too represent three or four times their number, when their dependents are reckoned. One may hazard the estimate that work will have to be found for one quarter of the working population of Canada.

It is impossible to overdraw the picture. These prospective out-of-works will be in danger of starvation. They are the people who never have anything ahead. They are of the wage-earning class, and their incomes have never left a margin for saving. There is no alternative, they must either come on the public bounty or they must be provided with employment by the government of Canada. Private enterprise will be in no situation to employ more than a small fraction of them.

Now, again, in writing the first chapter of the reconstruction programme, we must shove important matter over into a later chapter. There are some promising suggestions, which I hope to deal with in a later article, as to the employment of certain classes of workers. Our most sanguine hopes as to special provisions, however, scarcely lessens the burden of the task of caring for the great majority of those who, on the first day of peace, will find themselves without work and without wages.

What is needed, in the very first place, is some national undertaking to provide an immediate and wholesale opportunity of earning a livelihood. Nothing else, and nothing less can prepare us for the day of peace on earth and industrial anarchy in Canada. Such an undertaking must fulfil three requirements. It must be an undertaking which reaches to all parts of the Dominion. It must allow for unskilled, or unskilled, labor. And it must mean a permanent investment, something worth doing for the sake of the returns from it in the future. I can think of only one enterprise which fulfils adequately these requirements, it is the making of highways.

It is necessary that the work provided shall be in all parts of Canada. Congestion of population, either in our larger cities, or in temporary labor

camp, is to be avoided. It is desirable that every man shall be within measurable reach of his own home, the nearer to it the better. Our land is so vast, that any concentration of the nation's labor forces is practically impossible. Now, highways are everywhere needed, and scarcely, where they are so much needed in every part, can we say that one part needs them more than another. It might be wise to throw the national undertaking into the form of an inter-provincial highway, running from the Atlantic to the Pacific.

At first sight it might seem that, as most of the unskilled labor in Canada is "foreign" labor, and there exists a consequent caste prejudice against it among men of native and British stock, that such a scheme as I suggest would fail. The reply to this objection is that unskilled labor is the only un-specialized labor, and that large numbers of workers cannot be set to work except by striking the common denominator of them all. No doubt the men of highest skill will be the first to find occupation in their trades. They are, too, stronger than others because of their superior trade organization. The suggestions which I have mentioned as belonging to the second chapter of the reconstruction policy of the country will provide for a large number of them. The prejudice against honest work of the lower grades unfortunately exists. A man who ten years ago did not distinguish between the social rating of the bricklayer and that of the hod-carrier now draws such a line. How strong these prejudices have grown to be it is impossible to tell. It is likely that they will not survive a tussle with the threat of starvation, and we are face to face with nothing less than that. It will be a good thing if we assist to establish the doctrine that any useful work is honorable. In any case, nothing but unskilled labor will supply the broad basis of a programme to defend the workers of Canada against want in the days to come.

It must be a productive undertaking, for this debt-laden land cannot afford to throw money away. Road-building is one of the best possible investments of the public funds. The cost of hauling a ton the

distance of one mile on level roads runs all the way from \$2.70 for asphalt to \$64.00 for dry sand. The difference between good macadam and the ordinary broken stone mixed with earth and prone to ruts and mud is in the proportion of one to five. The angle of the grades on the roads has similar implications. This topic is worthy of an article by itself. But I must content myself with the assertion that the money spent on making good roads will be abundantly returned in the lessened cost of highway transportation and the enhanced value of farms which the good roads serve.

Such an undertaking would require to be protected against the methods of contracting which are in vogue. They should not be allowed to be made by imported laborers, hired through padrones. Minimum wages should be fixed, and exploitation of the workers through the familiar means of stores, mail and medical services, unwholesome housing and extortionate cost of board prevented.

It would be desirable, but it is impossible, to set in motion a national undertaking which could be carried on twelve months in the year. We simply cannot outflank our winters. There is no industry carried on in Canada which is fit to absorb large masses of labor which is not subject to the influence of the seasons. Some such may be developed later, or some scheme for dovetailing summer and winter employments may be worked out. But in the present emergency we must use what we possess. The only safeguard will be to fix the minimum wage at a figure which will allow eight or nine months of work to purchase sustenance for a year.

The correct principle in regard to national undertakings is that they should be carried forward during periods of depression. They should serve to take up the slack of the whole industrial activity of the country. They thus provide insurance against unemployment. Such, indeed, has not been the practice. It has been easier to spend money in large sums when everybody was in good heart. Times of depression have been the times when the taxpayer thought of national retrenchments. Such a practice should be reversed. The proposal of this article is in line with this wise and statesmanlike principle, and besides meeting the crisis of imminent peace might be the beginning of a more prudent and humane policy in regard to all future national public works.

## LAST WEEK'S RECORD OF ACTIVE MONTREAL STOCKS.

Sales.		Open.	High.	Low.	Last sale	Net ch'ge	YEAR	
							High.	Low.
300	Ames-Holden . . . . .	25	27	25	26½	+ ½	28	15
165	Asbestos . . . . .	20	25	20	25	+5	25	15
590	Do. pfd. . . . .	51¾	56	51¾	56	+¾	56	45
5,650	Brazilian . . . . .	42	46½	42	43¾	+3¼	46½	32
1,078	Brompton . . . . .	58¾	60	58½	60	+1	60	41¾
256	Can. Car. pfd. . . . .	89½	89½	88	88	- ½	92	49½
982	Can. Cement . . . . .	68½	69½	68	68	unch.	69½	*57
110	C.G. Electric . . . . .	102½	103	102½	103	+ ½	105	101½
855	Can. Loco. . . . .	66½	69	66¼	68¾	+3¼	69	58
3,456	Can. Steamship . . . . .	45	46¾	44½	45½	+1½	46¾	39
1,077	Do. pfd. . . . .	78	78½	78	78¼	+1¼	78½	76
316	Con. Smelting . . . . .	25	25	25	25	unch.	26	25
225	Dom. Bridge . . . . .	125¼	125¼	125	125	- ¾	*127	*123
295	Dom. Iron, pfd. . . . .	97	97	97	97	+1	97	88
3,345	Dom. Steel . . . . .	64	64¾	*62	*62¾	unch.	65	*53
443	Dom. Textile . . . . .	98¾	99	98	98	- ¾	99	80¾
550	Laurentide . . . . .	181	182	180	180	-1½	183½	152
865	MacDonald . . . . .	20	20	19½	19½	- ½	20½	13½
113	Montreal Cottons, Pfd. . . . .	99½	99½	99½	99½	+1¼	100	99½
8,203	Montreal Power . . . . .	83	88½	83	87	+4	88½	68½
935	Ontario Steel . . . . .	33¾	34½	33	33	-1	35	22½
435	Quebec Ry. . . . .	20	20	19	19¾	unch.	22½	15
1,101	Shawinigan . . . . .	116	116	115	115¾	- ¼	116½	*107
215	Spanish River . . . . .	13	13	13	13	unch.	16	13
523	Tooke . . . . .	25¾	30	25¾	30	+6	30	19
292	Do. pfd. . . . .	*72¾	*77	*72¾	*76	+5½	*77	72¾
245	Tuckett's . . . . .	20¾	22¾	20¾	22¾	+4¼	22¾	18¾
101	Wabasso Cotton . . . . .	53½	53½	53½	53½	- ½	55	21
150	Wayagamack . . . . .	50	50	50	50	-1%	52¾	50

BONDS								
\$35,125	Asbestos Corp. . . . .	70¼	70¼	70	70	unch.	73	70
16,300	Can. Loan (1937) . . . . .	94	94	94	94	unch.	94	91½

UNLISTED SHARES								
516	Can. Felt . . . . .	8	8¾	8	8½	+ ½	8¾	5
1,020	Laurentide Power . . . . .	56½	59	56	59	+2	59	50
305	N. A. Pulp . . . . .	3½	3¾	3	3¾	- ¼	4¾	3

\*Ex-dividend.



## Canada at War

Address by Mr. T. B. Macaulay, President, Sun Life Assurance Company of Canada, at the Hotel Astor, New York, before the International Convention of Life Underwriters.

Mr. Chairman, Ladies and Gentlemen:—

It is indeed an honour that I, as a Canadian, should be invited to speak on the subject of Canada's experience and achievements in the war before such a gathering as this, composed principally of citizens of the great United States, you friends of whom we in Canada like to think of as our Allies, you whom we have long been in the habit of calling our cousins, but whom we can now feel we can call our brothers. And yet I feel a diffidence in attempting to address you on such a subject. The work which the United States has undertaken in connection with the war is so vast, and the spirit in which it is being carried out is so magnificent and so enthusiastic, that what we have accomplished must of necessity appear rather small in comparison. You of the United States are to have the honour and glory of being to a large extent the deciding factor in bringing this terrible war to a happy conclusion, and of turning what might possibly have been a drawn battle into a glorious victory. The efforts which you are putting forth are the delight and admiration of your Allies, and the dismay of Germany and the Kaiser. I wish to express my enthusiastic appreciation of all that you are doing and are planning to do in the future. We Canadians are delighted at the manner in which you have taken up your task. Your achievements in France have already begun. The story of Chateau Thierry has stirred all our hearts, and this is but the beginning. There will be many Chateau Thierys within the next twelve months or I am greatly mistaken. The help you have given far exceeds the men and munitions you have furnished, great and valuable though they are, for you have put new heart and vigour and sureness of victory into the French and British troops, who had begun to be a little weary and stale after four years of struggle.

After four years of hostilities, when the war is now gradually nearing its close, it is difficult to place ourselves in thought back to the early days when the great German military machine, which had been preparing for forty years, was crashing through Belgium and Northern France. The sky was clouded and the outlook dark; the brave men of France and Britain were being overwhelmed by superior numbers; we had few guns to answer the German artillery, and ammunition was so short that many of our guns were restricted to five rounds a day—it was at that time and under those circumstances that Canada had the privilege, on account of our British connection, of getting into the fray, and we all feel a joy and pride that we were able to do something, even though but little, to help stay the Hun in those gloomy days.

At the beginning of August, 1914, we were not only unprepared for war, but had so long breathed the atmosphere of peace, that we were unable at first to realize the importance of what had happened, and the magnitude of the crisis into which the world had been plunged. As to our duty, there was no doubt. From the Atlantic to the Pacific we felt that it was both our duty and our privilege to put our whole weight into the struggle, side by side with the Mother Country. But what were we able to do? In what way could we help? As for military organization, we had practically none. We had 60,000 militia, but they had had little training, and had taken their duties lightly. Bernhardt had said that in the event of a European war Britain's Dominions and Colonies could be completely ignored. As for financial help, we had been a borrowing country, and how could we begin to lend?

But our national spirit rose to the needs of the occasion. Our people quietly determined to do their best. The call went out for 25,000 volunteers to go overseas, and, thanks largely to the energy of Sir Sam Hughes, within a few months we had sent off not 25,000 but 33,000. Within two months of the outbreak of war some of our troops who had been hardened in South Africa were fighting in France, and within seven months even our green troops were on the field engaged in a life and death struggle with the Huns—and holding them! Further detachments were despatched as quickly as they could be raised and drilled, until we now have a total of over 550,000 enlistments, and will soon have 600,000, and of these about 450,000 are already in Europe. Every month is adding to the number. We have promised that we

will send over not less than 500,000, and we propose to keep that promise.

Our enlistments, including those secured under the Military Service Act, already number about one in thirteen of our population. In the same proportion the figures for the United States would be around 8,000,000, which is about the number you are preparing to raise.

We began with voluntary enlistments, but, just as in the Mother Country, we had to come ultimately to the draft system. You have profited by our experience, and have very wisely adopted the draft system from the beginning. We fully agree with you that this is the only right and fair method, and that it is besides vastly more efficient and more economical.

And how about the casualties? In the early days of the war, when we were short of artillery, and even of rifles, and were unprepared for poison gas, we suffered heavily. Up to June 30th of this year we had:

Killed in action . . . . .	27,040
Died of wounds . . . . .	9,280
Died of disease . . . . .	2,257
Presumed dead . . . . .	4,342
Missing—Probably dead . . . . .	384

Total deaths . . . . . 43,303

In other words, of the total number who had gone overseas up to June 30th last, 11.3 per cent were already dead.

In addition there were—

Wounded . . . . .	113,007
Prisoners . . . . .	2,774

115,781

so that in addition to the deaths, 30.2 per cent had been wounded or made prisoners. It is a comfort to know that between 30,000 and 40,000 of the wounded were ultimately able to return to the firing line.

The total casualties were 41.5 per cent of the number who had gone overseas. But even this does not tell the full story. Most of those who had but recently gone across had of course not been long exposed, and the casualties were chiefly among those who had gone over early. Among them the casualties were tremendous. Those noble fellows paid a terrible price, and I can assure you that among them were many who were the very cream of the Canadian nation.

When I think of those early days, my mind goes back to April and May, 1915, to the second battle of Ypres. It was then that the Germans made their drive for Calais and the Channel Ports. Alongside our Canadian boys were French troops from Morocco, and against them the Germans first used their devilish gas. The Moroccans broke and fled, and small wonder. Nothing remained but our Canadian boys between the Germans and Calais, and they were many times outnumbered by troops that were supported by efficient artillery. Our lads spread out to cover the extra ground, but were driven back. Some of the Canadian guns were captured, and our Montreal Highlanders and others were determined that no Canadian guns should fall into the enemy's hands, and charged through a wood and retook them. The Germans thought that we must have heavy reserves or we would never attack in such a way, and instead of pushing through they entrenched themselves, as did our boys also, and time was gained. In the next few days reserves were brought up, and Calais was saved. It is said that a German Major was taken prisoner, and as he was being led back to the rear and saw nothing where he expected to find masses of troops, he was distracted, and again and again cried: "Let me go for half-an-hour, and Calais will be ours." But Calais was saved, and the course of the war has been different because of what our Canadian boys did that day.

Many of those who took part in that terrible struggle I knew personally. Before my eyes there rises the picture of Major Norsworthy, Manager of the Dominion Securities Corporation, with whom we had many large transactions. In his early thirties, handsome and vigorous, he had brains, sound judgment, self-reliance, and energy such as few possess, and had he lived he would certainly have been one of the most prominent financial men of Canada. And Capt. Guy Drummond, aged about 28, son of Sir George Drummond, inheritor of wealth and honored

name, tall, refined, the very finest type of the high principled gentleman. When last seen he was using his knowledge of French, trying to rally the flying Moroccans. But they, poor fellows, were past being rallied as they fled, gasping for air, their faces blue, and with death already fastened upon them, for of those who fully inhaled that devilish poison, few would survive a year of agony, and the rest would be invalids for the remainder of their lives. And there was Col. McCuaig, who fought so gallantly, and was believed killed, but finally turned up, severely wounded, in a German prison camp. But perhaps the story as told by a fine young fellow, a private, Billy MacLagan, who has often been in my own house, may bring the details home to us more closely. Billy went over with the First Contingent, and is one of the few, the very, very few, who have gone through the four years of struggle without a scratch. He wrote us his experiences. They were spared the worst of the gas, and put mud and spittle on their handkerchiefs, and tied them on their faces. He gave us the full details of how, later on, out of the mist, flood after flood of Germans came charging on. Our boys fired and fired until the German dead lay thick before them, and their gun barrels were red hot. And still they came on, wave after wave of grey figures. We held them while our own numbers dwindled alarmingly. The captain went, then the lieutenant, and at last in the whole trench there remained but three, a corporal, Billy, and a drummer boy of fifteen. The Huns paused, and the three slipped out over the top, and crawled back. The little drummer boy gave in under the sights he had crawled through and over, and began to shriek, covering his eyes. The big corporal grabbed him, and thrust him within his own great coat, buttoning it up so that the little fellow could see nothing, and so they continued. At last they met reinforcements, and Billy returned with them to show the way. They were even then but a handful, but the Germans did not know that, and the attack was stayed.

It was a French officer I believe, who said that no veteran troops could have done better. Then he corrected himself, "None but green troops could have done that—they did not know they were beaten; they did not know enough to retire!" The Channel Ports were saved, but at what a cost!

But while we are proud of our Canadian boys, do not suppose that I claim any special superiority for them. Scotland has in the British armies about twice as large a proportion of her population as has Canada feel that we have done well, but we take off many of military age is now living. And nothing make our Canadian soldiers more annoyed than any claim by those at home that they are any better than the troops from Scotland and England. We from Canada feel that we have done well, but we take off our hats to the Mother Country. One of the lessons we have learned from the war is to appreciate the Scotchman, the Englishman and the Frenchman as we never did before, and we appreciate them now because we know them now.

Now let us turn to Finance:

We are a young and borrowing country; we have been an extravagant country; and we thought we could do little towards financing the war. At the beginning the Mother Country advanced money to the various Dominions at the same rate as she herself had to pay, but by 1915 we began to rely on ourselves. The Government issued the call for the first domestic loan. They asked for \$50,000,000, and wondered if they would get it. The subscriptions came to over \$113,000,000. On the strong urgency of the larger subscribers the Government took \$100,000,000 of this amount.

In September, 1916, they asked for \$100,000,000, and we offered them \$201,000,000.

Six months later, in March, 1917, they asked for \$150,000,000, and we offered them \$254,000,000.

In November of the same year they asked for yet another \$150,000,000, and we offered them \$419,000,000. For this loan the Government had reserved the right to accept all subscriptions, and they did take \$400,000,000.

If in 1915 a man had told us that within the next two years the people of Canada would supply the Government with \$750,000,000, or \$100 for every man, woman and child in the country, he would have been looked on as a wild visionary. People do not know what they can do until they really try, and we surprised ourselves.

The subscribers to our first loan numbered 24,800; to the last loan they numbered 820,000, or nearly one in nine of the population. And now our Government is about to ask for \$300,000,000 more, and I shall be surprised if the answer is not at least \$500,000,000, and I imagine that they will take it all.



We shall have a heavy debt, but what of that? We shall carry it with ease, for we are young and growing, and our shoulders are broad. Canada never was so strong or so prosperous as at this moment. The safest Government Bonds in the world are those of the United States and Canada, and I bracket them together as regards security. We pay five and a half per cent on ours, so if any of you want higher interest with equal security, subscribe for the next Canadian War Loan!

Not merely have we raised these large amounts of Government loans, but we have kept up the price of our bond issues, so that every person who bought a Canadian Victory Bond can to-day get for it on the spot more than it cost him. The brokerage and bond houses of the Dominion have been organized into a great committee, and whenever any bond is offered for sale it is at once resold to other purchasers. The demand for bonds has been stimulated until it now exceeds the supply, and the market price is above the cost price. Our Government can borrow this year on slightly better terms than it had to give last year. That speaks for itself for the value of the bonds and the credit and wealth of the country.

In addition to paying for the upkeep of our own troops, Canada has granted war credits to the Imperial Government of \$532,000,000, with which to purchase food stuffs, munitions, etc., in the Dominion. Our Banks have loaned the Imperial Government \$200,000,000 more. But despite the withdrawal for Government loans, the deposits in our banks are \$300,000,000 more than they were at the beginning of the war. The country never was so wealthy.

Prior to the war we lived too easy a life, and our municipalities and corporations borrowed freely in Britain. When the British markets were closed we turned to the United States. Of our provincial and municipal securities sold in 1916; 85 per cent went to the United States. Of similar securities sold in 1917, only 2½ per cent went to the United States.

Our expenditures for war purposes have now risen to about a billion dollars. A considerable amount of this has been raised from taxes. There has been a tremendous increase in the national revenue. But the way in which this extra money has been raised, and the kind of taxes which have been imposed, would, I am sure, not be interesting. You know all about that sort of thing in your own country. Perhaps I had better say the details would be interesting but not pleasant.

But more than men and money were required. There was a pressing need for munitions with which to meet the German hordes. Canada had never been a great manufacturing country. But again we surprised ourselves, for we have already supplied 60,000,000 shells, which I have no doubt have done good work. We have furnished munitions to the value of \$1,000,000,000, and will soon have furnished another \$200,000,000 worth.

We are helping in shipbuilding, too, for we expect to turn out this year about 500,000 tons of new shipping, about two-thirds of steel and one of wood. I understand that this will about equal one-fourth of the output of the British shipbuilding yards for the year 1917.

In aircraft too, we are trying to do our share. We are turning out about 350 aeroplanes per month. The total to date is about 2,500. Besides that we are manning them.

But it has not been all Men, Money and Munitions. Our people have responded gloriously to all appeals for the relief of suffering. For our Canadian Patriotic Fund, which looks after the wives, children and dependents of our men at the front, we have already given \$44,000,000. For every two dollars the Government has asked from the people it has generally been given three.

To the Red Cross the contributions have been \$12,000,000 in cash and \$15,000,000 in supplies. Of the cash contribution \$7,000,000 were spent by the British Red Cross, and the balance by the Canadian Red Cross. According to a newspaper item which I saw the other day, Canada leads all the nations of the world in Red Cross contributions per capita.

To the Belgian Relief Fund we have contributed over \$1,500,000 in cash, and an equal amount in supplies, while \$8,000,000 more went to French, Serbian and Polish Relief Funds, and numerous other charitable and patriotic associations.

For military work by the Y.M.C.A. the contributions have been \$4,500,000.

In addition to the donations from the public, the Dominion and Provincial Governments have given \$5,250,000 for charitable work through the Imperial Government. In all, the relief contributions from Canada amount to \$90,000,000, or over \$12 for every man, woman and child in the Dominion.

Our educational leaders have also organized the Khaki University for educating the men at the front, and fitting them for their return to civilian life, and our Government has undertaken its support. This idea has now been copied in Britain, France, and I believe even in Germany. It had birth in the brain of Dr. H. M. Tory, President of the University of Alberta, brother of Mr. John A. Tory, of Toronto, whom you all know. Dr. Tory has entire charge of the work on the other side.

To summarize what we have done in France. We have paid about one billion dollars for war expenditures, and have raised \$750,000,000 of this amount by Domestic loans. We are asked to raise another \$300,000,000 next month for further expenditures, and I feel sure we will offer \$500,000,000. We have given a credit of over \$500,000,000 to the Imperial Government for purchase of munitions and supplies, and our banks have given a further amount for the same purposes of \$200,000,000. We have supplied 60,000,000 shells, one billion dollars' worth of munitions, and will soon deliver \$200,000,000 worth more. We will, besides, this year add 500,000 tons of shipping, and are making 350 aeroplanes per month, having already completed 2,500, and in addition to all this we have contributed \$90,000,000 to relief work.

We are a practical people, and yet a sentimental strain runs through us. We have always a soft spot and especially for those who help us or do us a good turn. Did you ever hear of the Canadian soldier who hailed from one of our Scotch settlements. In the course of an attack Sandy was rushing forward, rifle and bayonet at the charge, when suddenly he was attacked viciously by one of his smallest enemies, who was also nearest at hand. He felt that he could not do justice to the enemy in the distance unless he first disposed of the enemy in his midst. So he paused, put his rifle in the hook of his elbow and made a vigorous home attack. He was successful. But just as he caught his tormentor, a German shell burst in front of him, in the very spot where he would have been had he not paused. Sandy held the little thing before him, and as he looked at it he said, "Weel, ma wee man, I canna give ye the iron cross, I canna give ye the Victoria Cross, but ye hae saved ma life. I must reward ye somehow. I'll just put ye back where ye belong." And back he went.

And now I have given you a brief summary of some of the things that have been done in Canada during the last four years. If at times I may have been carried away by my enthusiasm, and have spoken with less restraint than a Canadian should use when speaking of his own country, please forgive me. I have tried to tell nothing but plain unadorned facts, and as for enthusiasm, remember that without enthusiasm people can accomplish little. You have the right to be proud and enthusiastic over the great work which you are doing, so be lenient with us.

But in this great drama which has been played in Canada during the last four years, what part has been taken by the life companies and life men?

It is the business of life assurance to relieve distress caused by death. I have often referred to our profession as philanthropy reduced to a business basis. Never was life assurance so needed before. The claims resulting from the war which fell upon the united companies doing business in Canada, came to nearly \$12,500,000 to the close of 1917, and they are now probably at least \$15,000,000. No payments can ever make up for the noble men who have given their lives, but the distribution of this large amount must at least have softened the blow to their dependents. In 1915 the war claims amounted to 16 per cent of the total claims on the Canadian business of the united companies; in 1916 to 29 per cent, and in 1917 to 33 per cent of the total claims. Most, if not all, of the companies allowed their old policyholders to engage in military service without the payment of any extra premium, and a close estimate is that on only 29 per cent of the claims which fell in was any extra received; 71 per cent of these war claims being on policies which brought to the companies no compensating extra premium whatever.

While manufacturers, merchants and banks have enjoyed prosperity as a result of war activities, the life companies have had to sustain heavy losses, due to conditions such as were never contemplated by their mortality tables. But grandly have they stood the strain. The test has but demonstrated their strength, and they have come out of it in a way that none of us would have believed possible. In every instance the companies have sustained this extra mortality without any weakening of their position.

And the companies have done much more than merely pay death claims. It is no exaggeration to say that they have been of immense assistance to the

Government in floating the various war loans. The small premiums collected through the country from hundreds of thousands of policyholders, were combined into company subscriptions amounting to millions. The total subscriptions of the life companies to the various domestic government loans already exceed \$112,000,000. Omitting the banks, the subscriptions of no other class of corporation or section of the community have come anywhere near this large amount. To have been able to place such a sum of money at the disposal of the Government in its time of need, is an achievement of which every life man in Canada may be proud. And these subscriptions were worth more than the mere money they represented for they did much to give an immediate assurance of success to the issues, and at the same time stimulated others to subscribe. The life assurance companies were, in fact, looked on as leaders in these loan campaigns. And in regard to the loan which will be brought out next month, I feel quite sure that the companies will vie with each other as to which can subscribe most, and their leadership will be even more marked.

But what about our life men? As might have been expected, they have been in the thick of it all. In finance, while the Head Office officials have been straining to take as large subscriptions as possible, the Life Underwriters in the field have been among the most prominent and successful workers for the placing of the bonds with the general public. In military matters, the Montreal District is in charge of General E. W. Wilson, who, in private life, is the provincial manager of the Canada Life, while the Toronto district was, until his tragic and lamented death, in the performance of his duties, in charge of Colonel W. C. Macdonald, managing director of the Confederation Life. And over in France, the Commander-in-Chief of the Canadian armies, a man who has led Canadian troops from the very commencement of the war, is Sir Arthur Currie, the man who has never known defeat. General Currie is another insurance man and hails from Vancouver, B.C.

For years before the war broke out, many of us knew of Germany's ambitions to rule the world, and feared that the struggle was coming. The question had to be settled whether Anglo-Saxon ideals of freedom and democracy were to prevail or the world was to be Germanized and ruled by the Kaiser. When the future of humanity was at stake, we wanted to have some influence in the decision, and we were thankful that, as part of the British Empire, we were at war and privileged to take a man's part in this great world struggle, the greatest crisis that had come in the history of humanity for over a thousand years. There was no compulsion on us. The Germans expected us to stay out, and simply could not understand our going in. At first we were influenced by patriotic and humanitarian reasons which we felt in a general way. But our boys soon came in contact with German brutality in a concrete way and our feelings became vastly deeper and more intense.

For instance, Lieut. Holt, of Winnipeg, returned on leave of absence and brought with him a souvenir a little doll. In one of those early days his regiment was forced back by the enemy through a Belgian village. He stopped at a small house to ask directions and a little girl of about seven years ran out and gave him her dolly. She said, "Please take my dolly to a safe place." To please her he took it. Next day our men retook the village and he at once went to the cottage to see how the child had fared. He found her—lying across the threshold dead—killed by a German bayonet. Lieut. Holt brought back that dolly to a safe place in Canada, but your boys and our boys are now fighting that the whole world may be made a safe place for little mothers like that.

King's Staff-Sergeant James W. Smith, who has returned with his right arm shattered and shortened and the hand little better than a deformed claw, who was foreman in the W. C. White boiler works of Montreal, and is now superintendent in a munition factory, told me personally that he had himself assisted at taking down some Canadian soldiers who had been crucified by the Germans nailing them to a barn door. Do you wonder that our Canadian boys were very demons in ferocity when next they attacked? I could go on with incidents, but it is not necessary to harrow your feelings.

My son-in-law, Mr. E. W. Owen, who is a member of your own Association, and who has been in France for a year with the American troops, writes that we can believe all that we hear about the Huns, for it is all true, and more. It is no selfish struggle in which we are engaged. Like you, we have nothing to

(Continued on page 12.)



## Public Opinion

### AND TENACITY, TOO.

(Detroit News.)

"Hold fast!" says Lloyd George, a trick the British bulldog does with customary ease and willingness.

### ONLY A FEW.

(Buffalo Commercial.)

Two Canadian conscientious objectors have been sentenced to ten years in prison. We didn't think there were any conscientious objectors in that land of doughty warriors.

### NEUTRALS ARE CHANGING.

(New York Times.)

There may be persons in Germany who still think that Germany will win. The neutrals do not think so, and they do not want to be on the wrong side when the decision comes.

### EXIT VARDAMAN.

(Boston Transcript.)

The President and the people of Mississippi are entitled to the thanks of the people of the United States for the expulsion of Vardaman from the public life of the nation. He never deserved to be a senator in days of peace and his record was even then a humiliation to his state and section. In a war Congress he has been a noisy nuisance. He has traduced both his country and his country's cause—and he has finally received at the hands of the people he misrepresented his just reward. It was his delinquency to the nation, not his lack of docility as a democrat, that was the chief cause of his overthrow.

### THE SOUL OF FRENCH RESISTANCE.

(Christian Science Monitor.)

Probably never more than at the present time has France given her confidence to M. Clemenceau. The Socialists may vote against him en masse, or pretty nearly so, at the Palais Bourbon, but the people merely remark, with a shrug of the shoulders, "Tant pis pour les Socialistes! Notre Tigre is quite well able to take care of himself"; and by that they mean that he may be trusted to take care of France. The Municipal Council of Bergerac voted an address to be sent to M. Clemenceau, the other day, which was addressed, "to the great Frenchman Georges Clemenceau, the heart and soul of French resistance."

### PROTECT THE LADY BUG.

(Rochester Democrat-Chronicle.)

Amateur potato growers are warned by experts against mistaking the harmless lady bug, now in evidence in many city gardens, for the destructive Colorado beetle, and attacking with paris green and other pest destroyers. It is one of the beneficent plant parasites, and it has an appetite for the aphid, a plant louse which injures and ultimately destroys the foliage of the potato vine. The lady bug was imported into this country, as a remedy for the aphid, but it did not propagate with sufficient rapidity to exterminate the potato louse. A few minutes' observation of the operations of the lady bug will, though, demonstrate the beneficent character of its activities at mealtime. Parasites which do not ultimately become pests are rare; but the lady bug, so far as has been known, has not yet developed any vicious or plant-destroying characteristics.

### A UNIQUE PREFACE.

(Christian Science Monitor.)

To  
Anyone  
Who Supposes  
That he has a Worse  
Enemy  
than  
Himself

Is the dedication of Sir Arthur Quiller Couch's new book. Originality in such a matter as a dedication is not exactly easy to achieve, but Sir Arthur's success in that particular line is cast completely in the shade by a young airman, who relating his escape from Germany, prefaced his book with the words:

To

### THE NORTH STAR

whose guiding light marked the pathway to freedom for a weary fugitive, this book is inscribed in humble gratitude and abiding faith.

### BANISH PEACE TALK FOR A WHILE.

(Manitoba Free Press.)

Perhaps the best contribution to the future security of the world would be, to delete the word "Peace" from the lexicon for a year and devote that period of time to the business of fighting the Germans without cessation.

### A GERMAN PROMISE.

(New York Sun.)

Germany has given to Spain a promise of the future good conduct of her submarines. It is a regular German promise, not to be broken in less than twenty-four hours after it is made, except for good German reasons.

### FLAT-FOOTED!

(Ottawa Journal.)

A full-blooded Indian travelled 3,000 miles by trail, canoe and river to enlist in the Canadian army. We hope this patriot did not encounter the same experience as a fellow aborigine who applied to the United States authorities at a western recruiting station after walking 300 miles—and was rejected because he was flat-footed!

### COSTLY EDUCATION.

(Toronto Star.)

A railway trunk-buster, applied a match to a pool of alcohol at Ottawa "to see if it would burn." It did. The loss to the G.T.R. buildings, etc., is \$112,000. It would have been much cheaper for the company to have sent this chap to college for four years to study chemistry, instead of leaving him to pick up his knowledge hand over fist the way he was doing. But he certainly landed a large chunk of information this time.

### BUILD TANKS!

(New York Tribune.)

Apparently, underestimating the tremendous advantages of the tanks, the Germans have made one of the greatest blunders of the war. The military critic of the semi-official Vossische Zeitung declared only a few days ago that "the western front has been made impregnable by machine guns," but, as the cables have borne abundant witness, the tanks have mown down the machine guns even as the machine guns mown down men. But will Germany be long in trying to correct her great tactical mistake? Her man power waning, will she not go in for tanks on a large scale? Let us assume that she will and resolve ourselves to build an unlimited number. It is such a job as we can handle.

### HIS FATHER'S ONLY SON.

(Montreal Herald.)

The Hon. Rodolphe Lemieux will have the sympathy of the whole country in the bereavement that he has suffered by the death of his son—his only son. The boy went out to the Great Adventure two years ago with joy in his heart and a song on his lips. His father saw him go with the proud consciousness that his son was offering his life on the altar of our common humanity. The soldier has made the supreme sacrifice, but the poignancy of the parents' grief must be assuaged by the thought of the High Crusade in which he fell. At Lennoxville Lieutenant Lemieux learned the maxim from Horace: "Dulce et decorum est pro patria mori." In his brief after-life he proved its truth.

### PUT SAVING FIRST.

(Saturday Evening Post.)

Keep hard up. Do not make your war appropriation at the end of the month out of what you have left. Make it the first of the month, and live on what you have left. It is perfectly practicable and by no means so difficult as it may sound before you have tried it. If your income should be reduced 20 per cent you would discover you could still live comfortably on it. Rise in commodity prices since America declared war is equivalent to a reduction of 20 per cent or more in income. Four families out of five have partly or wholly offset it by cutting down consumption of various things and using a cheaper article in place of a dearer.

Make the appropriation and cinch the saving by putting it into war certificates or thrift stamps. A much heavier trial than the country has yet met is coming, this fall and winter. The country must do better than it has yet done or be shamed.

### AN HISTORIC SPOT.

(Buffalo Commercial.)

The Belgians by making a successful attack near Langemarck have brought back into the war communiques a name the Canadians made famous in 1915. It was near Langemarck the men from the Dominion made that heroic stand against the first use of gas in this war by the Germans.

### AN INJUSTICE.

(Ottawa Journal.)

According to the Victoria Colonist, returned soldiers whose homes are in British Columbia are much dissatisfied because they are kept in hospitals and convalescent homes in Eastern Canada instead of being taken to their home districts. The desire of these men to get home as soon as possible is a very natural one and the Military Hospitals Commission should look into the complaint and see whether or not an improvement is possible.

### GERMAN HOLD ON RUSSIA.

(Robert Blatchford, in The Clarion.)

Who, then, is going to save Russia, a lamb ready for the shearer, a pigeon sharing its cote with a hawk? I can see no sign of salvation for Russia, except a German revolution, and a German republic would be a republic of Germans.

Now, assuming that Russia, discouraged, disorganized, disrupted, inexperienced, illiterate, and with most of its heads "full of the foolishest dreams"—suppose this poor Russia becomes the economic and political dupe or prey of Germany what chance will America and the other Allied powers have of peace and disarmament? What is going to happen if we abolish militarism?

What is to prevent Russia from becoming the vassal state of Germany? What is to prevent her becoming at least as subservient and dependent as Austria? We have got to face such a possibility. We have indeed to regard it as a probability.

### ENGLAND.

(Chicago Evening Post.)

Trust the battle line of England, the Indomitable!

Of all the peoples of history none more than the English have shown the strength that comes in the fight with back to the wall. The last ditch is where England fights best, and there she will fight best today, if forced to it by the most tremendous military pressure the world has ever known.

Thank God our boys are fighting at her side, even if it be but a few of them!

May they carry to her the assurance of our faith and glory in her. May they sweep aside the ancient prejudices that have made us grudge England her fair meed of trust and honor.

Here at home we cannot join physically in the battle to stop the most evil assault of all time. But we can join it with our spirit. We can send across the tossing waters and up through the stricken lands to the fighting lines the cry:

Hold fast brothers! We are coming! The battle can and will be won!

### TORCHBEARERS OF DEMOCRACY?

(The Nation, London.)

The Westminster Gazette, in a very powerful article gives a description of the character of Lord Beaverbrook's appointments of his assistants in the Ministry of Information. It shows that this gentleman, whose name was, as the "Westminster" says, "familiar" enough in Canada, though it was barely heard of here till it blossomed out in one title after another, has chosen as his head employes and "directors" of propaganda in Scandinavia, Spain, Switzerland, Asia and the Far East, a choice band of financiers, financial secretaries, and agents of various shipping, rubber, tobacco, and railway trusts. These are the persons whom he assumes to be the proper spokesmen of the democracy of Britain and of their diplomatic and political case. One of them appears to be Mr. Guinness, the gentleman whose name has just been before the courts as the husband not of one German wife, but of two in succession. Others belong to the Northcliffe branch of the firm, or are associated with enterprises in which Lord Beaverbrook has also played a part. A good many are Canadians; most, if not all, of them, says the "Westminster," are Tories. We shall see what parliament has to say to this method of turning a great political trust into a kind of commercial combine.



# AMONG THE COMPANIES

## CANADIAN LOCOMOTIVE COMPANY.



**EMILIUS JARVIS,**  
Chairman Board of Directors, Canadian Locomotive Company.

Canadian Locomotive Co.'s earnings for the year ending June 30th last amounted to \$677,937, after allowing for the war profits tax, against \$721,254 in 1916-17, the previous best year in the company's history. The surplus for the year, after fixed charges, depreciation and preferred dividends, amounted to \$342,937, equal to 17.1 per cent earned on the common stock of \$2,000,000, against \$386,254, or 19.3, the previous year.

Profit and loss figures for three years compare as follows:

	1918.	1917.	1916.
Profits . . . . .	\$677,937	\$721,254	\$574,211
Less:			
Bond interest . . . . .	90,000	90,000	90,000
Sinking fund . . . . .	15,000	15,000	15,000
Reserve . . . . .	125,000	125,000	190,000
Preferred dividends . . . . .	105,000	105,000	105,000
Common dividends . . . . .	120,000	.....	.....
Loss . . . . .	.....	.....	12,691
Totals . . . . .	\$455,000	\$335,000	\$412,691
Balance . . . . .	\$222,937	\$386,254	\$161,520
Previous balance . . . . .	*706,479	304,322	142,801
Surplus . . . . .	\$929,417	\$690,576	\$304,322

\*—Adjusted after close of 1916-17 year.

The company's cash position is strong, cash amounting to \$567,000, against \$177,615 a year ago, and in addition there is a new Victory Loan investment of \$248,915. Net working capital rose about \$325,000, following a gain of \$450,000 the previous year.

## LAURENTIDE COMPANY, LTD.

Laurentide Company, Limited, showed net profits of \$2,593,000 last year as compared with \$2,220,000 in 1917, and \$1,244,000 in 1916. The 1918 earnings show 17.7 per cent on the stock.

The fact that surplus before dividends was slightly lower at \$1,704,655, against \$1,720,011 a year ago, is largely a matter of book-keeping. For instance, \$102,565 was deducted from the final surplus of last year for "pension fund etc." This year before allowing for the dividend, \$150,000 was set aside to pension fund. If last year's form of treatment had been followed this year surplus available for dividends would have shown an increase of upwards of \$130,000, instead of a decrease of \$15,356. Further, the variable item of depreciation, which was \$116,670 a year ago, is \$271,883 this year.

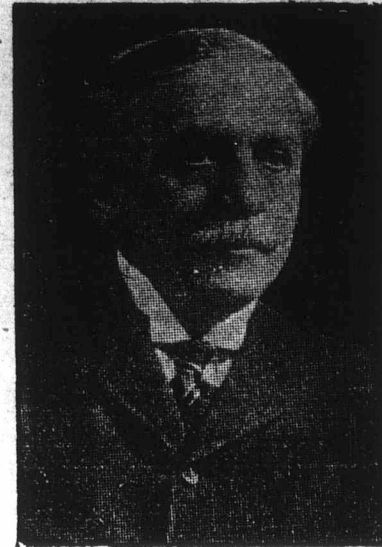
	1918.	1917.	1916.
Paper, etc. . . . .	\$2,311,799	\$1,841,981	\$1,022,005
Lumber . . . . .	148,121	253,627	101,459
Interest . . . . .	133,913	125,000	120,818
Net revenue . . . . .	\$2,593,834	\$2,220,660	\$1,244,283
Less:			
Charges . . . . .	\$227,296	\$115,797	\$226,899
Depreciation . . . . .	271,883	116,670	59,561
War tax . . . . .	240,000	268,181	20,000
Pension F. . . . .	150,000	.....	.....
Total deduction . . . . .	\$889,179	\$500,649	\$306,460
Profits . . . . .	\$1,704,655	\$1,720,011	\$937,822
Dividend . . . . .	960,000	864,000	672,000
Surplus . . . . .	\$744,655	\$856,011	\$265,822

\$20,000 was set aside from surplus to depreciation reserve in 1916.

On the basis of the foregoing, therefore, President Chahoon was not overstating the results when he described them in the annual report as "satisfactory" "in view of the fact that a considerable portion of the company's products are sold at prices that are fixed by the Government, and from which there can be little or no profit."

As to the long-standing controversy between the Government and the manufacturers in the matter of the fixed price for newsprint, Mr. Chahoon spoke out his mind freely in some informal comment at the annual meeting.

"We are in the unfortunate position," he said, "of being in the hands of the Government and the politicians are using the newsprint industry to pay off their political obligations to the newspapers." The Government had started to figure out the newsprint question two years ago, added the president, and was still at it. "Any good business concern could have got at the bottom of the question in six weeks."



**C. R. HOSMER,**  
Vice-President Laurentide Company, Ltd.

## C. P. R. EARNINGS.

Traffic earnings of the Canadian Pacific Railway for the fourth week in August aggregated \$4,130,000, an increase over the corresponding week in 1917 of \$112,000, or 2.8 per cent. This compares with an increase of 8.9 per cent for the third week, .5 for the second, and 12.6 for the first.

## RAILWAY EARNINGS.

Gross railway earnings for the month of August by companies with the increase over a year ago follow:—

Month.	1918.	Increase.	P.C.
C. P. R. . . . .	\$12,713,000	\$ 690,000	5.7
G. T. R. . . . .	6,102,038	1,523,214	34.1
C. N. R. . . . .	3,405,200	528,100	15.1
Totals . . . . .	\$22,220,238	\$2,741,314	14.1

The year's record to date, giving aggregate gross earnings by months with the increase or decrease as compared with 1917, follows:

1918.	Gross.	Increase.	P.C.
January . . . . .	\$17,368,662	\$ 82,326*	.5
February . . . . .	15,551,381	507,775	3.3
March . . . . .	19,967,437	2,623,194	15.1
April . . . . .	23,084,035	2,847,924	14.1
May . . . . .	23,342,318	366,985*	1.5
June . . . . .	23,017,449	264,270*	1.1
July . . . . .	22,752,872	18,808*	.1
August . . . . .	22,220,238	2,741,314	14.1

\*—Decrease.

## BANK OF B. N. A.

The final dividend of the Bank of British North America, in its present form, was declared Thursday, according to a cable received from London by the head office for Canada here. The dividend declared in the usual "interim" form is 40 shillings per share, less income tax, or at the rate of 8 per cent, and is for the half-year ended May 31st last. It is payable on October 5th next.

As the B. N. A. will probably be taken over by the Bank of Montreal some time next month, or in the early part of November, the next dividend to be paid to B. N. A. shareholders, who take stock instead of cash for their shares, will be a dividend from the Bank of Montreal.

Shareholders of the B. N. A. met in London on Tuesday of last week and ratified the agreement with the Bank of Montreal. A second meeting is necessary, according to the bank's by-laws, and this will take place as a formality on Tuesday next. On the same day shareholders of the Bank of Montreal will meet here to ratify their side of the agreement. The way will then be clear for the publication of the usual notice in the Canada Gazette, a formality extending over a month, and shortly afterwards B. N. A. will become part of the Bank of Montreal organization.

## CEASES SELLING BONDS.

R. C. Holden, secretary of the Victory Loan special committee, addressed the following circular to bond and stock brokers.

"Under the authority of the supplementary agreement between us, and in order to assist the Government in the flotation of the forthcoming loan, the committee has decided to discontinue selling Victory Bonds after noon on Saturday, the 7th instant, until further notice.

"The committee, however, will continue to purchase bonds in moderate amounts, but in all cases this will be at the discretion of the committee. Unfilled orders on hand at noon on Saturday, the 7th instant, will be filled by the committee only as the committee may be able to do so."

## BRAZILIAN TRACTION CO.

At the annual meeting of the Brazilian Traction Company held a few days ago in Toronto, Mr. Alexander Mackenzie, the president, presided and expressed the opinion that the outlook for the company was good.

In referring to the adverse conditions under which the company was operating, owing to the outbreak of the war, he pointed out, for example, that whereas before the war coal could be laid down for the operation of the gas plant at \$7.50, the freight alone last year cost \$37 per ton. Generally speaking, the operating costs of the company had increased by about \$1,000,000. The assets of the company improved by \$4,800,000 during the year.

The president explained that expenditure on capital account was practically for the time being finished. The outlook for the telephone subsidiary of the company, he said, was excellent. They had now 600 miles of trunk line in operation, and within six weeks after putting the three systems in operation the demand for service had become so great as to create a congestion. The gross earnings of the telephone system increased by 26 per cent, and the net by 32 per cent.

No statement was made regarding the payment of dividends.

Referring to trade conditions in Brazil, President Mackenzie said that the outlook was bright and that at present the ports of the country were congested with merchandise awaiting ships for export. After the close of the war he looked for a material improvement in the export trade of the country.

According to the monthly statement issued to-day, the earnings of Brazilian Traction during July showed a marked improvement at \$465,000 milreis, the gross showed an increase of 1,670,000 milreis, while the net increased by 1,214,000 milreis, the total being 5,063,000.

The gross earnings from January to the end of July were 59,158,000 an increase of 6,717,000 milreis, while the net was 29,765,000, an increase of 1,514,000 milreis.



**The Montreal City & District Savings Bank**

Notice is hereby given that a Dividend of Two Dollars and fifty cents per share has been declared on the capital stock, called and paid-up of this Bank, and will be payable at its Head Office, in this City, on and after Tuesday, the first of October next, to Shareholders of record the fourteenth of September, at twelve o'clock noon.

By order of the Board,  
A. P. LESPERANCE,  
Manager.

Montreal, August 27th, 1918.



SEPARATE sealed tenders addressed to the undersigned, and endorsed Tender for "Active Treatment Ward," "Neurological Ward," "Officers' Ward," "Boiler House, Laundry and Tunnels," Ste. Anne's, as the case may be (four separate tenders), will be received until 12 o'clock noon, Wednesday, September 11, 1918, for the construction of active treatment ward, neurological ward, officers' ward, boiler house, laundry and tunnels, Ste. Anne de Bellevue, P.Q.

Plans and specification can be seen and forms of tender obtained at the offices of the Chief Architect, Department of Public Works, Ottawa, Superintendent, Military Hospital, Ste. Anne de Bellevue, and of the Overseer, Dominion Buildings, General Post Office, Montreal.

Tenders will not be considered unless made on the forms supplied by the Department and in accordance with the conditions set forth therein.

Each tender must be accompanied by an accepted cheque on a chartered bank, payable to the order of the Minister of Public Works, equal to 10 p.c. of the amount of the tender. War Loan bonds of the Dominion will also be accepted as security, or war bonds and cheques if required to make up an odd amount.

By order,  
R. C. DESROCHERS,  
Secretary.

Department of Public Works,  
Ottawa, August 22, 1918.

**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 Suburbs, it contains lists of

**EXPORT MERCHANTS**

with the goods they ship, and the Colonial and Foreign Markets they supply; also

**PROVINCIAL TRADE NOTICES**

of leading Manufacturers, Merchants, etc., in the principal Provincial Towns and Industrial Centres of the United Kingdom.  
Business Cards of Merchants and Dealers seeking

**BRITISH AGENCIES**

can now be printed under each trade in which they are interested at a cost of \$5 for each trade heading. Larger advertisements from \$15 to \$60.

A copy of the directory will be sent by post on receipt of postal orders for \$7.50.

**THE LONDON DIRECTORY CO. LIMITED.**

25 Abchurch Lane, London, E. C.

**THE CANADIAN BANK OF COMMERCE**

SIR EDMUND WALKER, C.V.O., LL.D., D.C.L.,  
President.

SIR JOHN AIRD, General Manager.

H. V. F. JONES, Assistant General Manager.

Capital Paid Up . . . . . \$15,000,000

Reserve Fund . . . . . \$13,500,000

**REMITTANCES TO SOLDIERS.**

Special attention is given to remittances by cable or by letter to the soldiers overseas. The most convenient method of sending a small present is by way of British one pound or ten shilling notes, or by five franc notes, which can be obtained from any of the branches of the Canadian Bank of Commerce.

ESTABLISHED 1832

**Paid-Up Capital**

**\$6,500,000**



**Reserve Fund**

**\$12,000,000**

**TOTAL ASSETS OVER \$130,000,000**

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**

**CONSUMERS GLASS CO.**

The new Consumers Glass Co. is now in active operation, and turning out bottles as well as a varied line of other glass ware. The plant is claimed to be one of the most up-to-date of its kind on the continent. The company, which is headed by F. P. Jones as president, was financed by interests closely identified with the Canada Cement Company.

**SPANISH RIVER PULP AND PAPER CO.**

That the Spanish River Pulp and Paper Mills, Limited, had a fairly good year is evidenced by the annual report just issued. Owing, as President George H. Mead points out, largely to the fixed price for newsprint, the net revenue for the year declined by \$388,503, the figures being \$1,729,231 and \$2,117,734 respectively.

That, however, the general position of the company is stronger there can be no doubt. In the property account there was an increase of nearly \$959,000. While current liabilities increased from \$2,227,540 in 1917 to \$3,673,755 in 1918, current assets, on the other hand, expanded during the same period from \$5,700,603 to \$7,578,165. In other words, while the former increased by \$1,446,215, the gain in the latter was \$1,877,562. The sum carried forward was increased by \$77,575. Following is a summary of the income accounts for 1918, 1917 and 1916:

	1918.	1917.	1916.
Net revenue . . . . .	\$1,729,231	\$2,117,734	\$1,342,390
Depreciation . . . . .	344,137	269,821	145,172
Balance . . . . .	\$1,385,094	\$1,847,913	\$1,197,218
Interest . . . . .	807,519	718,409	765,927
Surplus . . . . .	\$577,575	\$1,129,504	\$431,291
Previous surplus . . . . .	993,726	699,621	268,330
Total surplus . . . . .	\$1,571,301	\$1,829,125	\$699,621
Written off . . . . .	500,000	835,399	.....

Surplus . . . . . \$1,071,301 \$933,726 \$699,621  
Owing to the fact that the company's operations have been confined almost exclusively to the production of newsprint paper, its directors have considered it necessary to develop an output of products other than this particular commodity, and the plants have been improved and extended with the object in view. The productive capacity of the plants has by this means been increased one hundred tons a day. The daily output of pulps, board and paper for market sale is now 570 tons, which will shortly be increased to 600 tons.

As stock of newsprint throughout Canada and the United States are unusually low, which the demand is good, the president anticipates that the company will have no difficulty in disposing of its entire output during the ensuing year.

**CUBA RAILROAD.**

The report of the Cuba Railroad Co. for the year to June 30 is in contrast with those of Canadian and American properties. Earnings were equivalent to \$12.82 a share of common, compared with \$1.24 last year. Gross increased about 80 per cent and operating income was \$2,000,000 over the preceding year. With the price of raw sugar placed to-day at 1½ cents above that of last year, Cuba sugar growing will be profitable again, and the effect of this on the Cuba Railroad will be favorable.

The Cuba Railroad was one of the late Sir William Van Horne's enterprises and he was president of the company at the time of his death. R. B. Van Horne is a director at the present time.

**BANK OF ENGLAND.**

London.

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

Total reserve . . . . .	Dec. £ 597,000
Circulation . . . . .	Inc. 985,000
Bullion . . . . .	Inc. 388,033
Other securities . . . . .	Dec. 367,000
Public deposits . . . . .	Inc. 2,094,000
Other deposits . . . . .	Dec. 4,384,000
Notes reserve . . . . .	Dec. 611,000
Government securities . . . . .	Dec. 1,288,000

The proportion of the bank's reserve to liability this week is 17.85 per cent; last week it was 17.16 per cent.

Rates of discount, 5 per cent.

**LLOYDS BANK LIMITED.**

HEAD OFFICE: 71, LOMBARD ST., LONDON, E.C.3.



CAPITAL SUBSCRIBED . . . . .	£31,304,200
CAPITAL PAID UP . . . . .	5,008,672
RESERVE FUND . . . . .	4,000,000
DEPOSITS, &c. (December, 1917)	174,697,945
ADVANCES, &c. do.	61,466,709

THIS BANK HAS NEARLY 900 OFFICES IN ENGLAND & WALES.

Colonial and Foreign Department: 17, CORNHILL, LONDON, E.C.3. London Agency of the IMPERIAL BANK OF CANADA.

The Agency of Foreign and Colonial Banks is undertaken.

French Auxiliary: LLOYDS BANK (FRANCE) & NATIONAL PROVINCIAL BANK (FRANCE) LTD.  
OFFICES in FRANCE: PARIS, BORDEAUX, BIARRITZ, HAVRE, MARSEILLES and NICE.



**U.S. GOVERNMENT AND INSURANCE.**

(New York Journal of Commerce.)

That the extension of Governmental activities into the business of insurance will be the reverse of beneficial to the public generally, is being clearly pointed out by experienced fire underwriters. George L. Shepley, of Providence, calls attention to the fact that under the Government system of insurance it becomes an expense on everybody in the general tax. Thus all rates are leveled and the well constructed and efficiently protected plant pays the pro rata tax for the indifferently protected and poorly constructed risk. Another feature of great importance to the general public is that the efficient insurance organizations and the corps of well educated and thoroughly trained inspectors and engineers which have been material factors in conserving the nation's resources, will be completely disorganized. Mr. Shepley, discussing the effect of Governmental absorption of insurance business, says to The Journal of Commerce:

"The Government may, in its power, take over the responsibility of the loss and damage to the various properties over which they assume control, and assess the expense on everybody in the general tax, but in doing so the carefully watched and protected plant pays the pro rata tax for the indifferent and mediocre properties. The good property, well protected and thoroughly cared for, pays an undue share of the expense of insuring the poor, for by the Government's method all rates are leveled. The highly protected, fire-resisting construction proposition lugs its pro rata share of the fire risk on the munition establishment, or the thousands of acres of flimsy cantonments scattered all over the country.

"Fire insurance, as it is handled to-day, is a highly specialized profession. The War Department recently ruled that the insurance business was essential. The great corps of well educated and thoroughly trained inspectors and engineers are doing their bit to conserve the nation's resources. In case of great disaster, promptness of payment by the underwriters has been a marked assistance in the distressed communities. We are told, however, that there are many departments of our Government where this virtue of prompt payment is neither understood nor applied; and as we all well know, claims against the Government bear no interest. I fail to see where the Government or the citizens of the country are to be benefitted by the sacrifice of the insurance profession, or any part of it.

"As has been shown in the grain pool that has been formed, the companies are willing to take up and distribute this great burden among themselves, and to care for the business in a thoroughly efficient manner, inspecting and looking after the physical hazard as should be done. Of course, the Government has in the past pursued the course of carrying its own risk on its own properties. As a rule they have been well constructed, and are detached, and in some instances carefully protected, and the distribution of the fire cost is a nominal expense. However, the assumption by the central Government, broadcast, of the responsibility for tremendous accumulations of value, as is evolved in some of the undertakings they have assumed, would make an underwriter shudder, and it ought not to be done.

"The liability companies, in turn, have formed an organization to assume those risks, which, on account of the accumulation of disaster to human life, would make their being carried by a single company impracticable. Frequently where the Government's risks seemingly need increased protection the suggestions made by underwriters as to their improvement have not been kindly received by those in charge. The

Government officials are exceedingly busy with the great responsibilities which are thrust upon them, and it would seemingly be unnecessary to create fresh enterprises and add additional burdens to their own organization, which is already loaded close to 100 per cent of its efficiency.

"If the Government is not content with the methods now in use by the underwriter and feels that additional indemnity should be granted, let them say so, and any criticism that they may make will be heeded. Personally, I feel that the companies have not been as considerate along these lines as they should have been, and that they have shirked responsibility of which they should have been more eager to have assumed their share, and they have allowed their prejudices to interfere with their business, and if we do confront any such condition as is feared by many, we have a certain part of responsibility to be placed on our shoulders.

"Another thing may be said, and that is, as many of us know, the Government is not as prompt in the payment of its obligations as they force people to be when money is due them. Prolonged delays not infrequently occur, even when accounts have been approved for payment. In cases of great conflagrations, where a great many millions are involved, the insurance companies uniformly have made a practice of meeting all claims promptly, and of turning ready money into the hands of their claimants as speedily as possible, to relieve the distress that the delay would surely bring about.

"Of course, the Government can insure if it desires, and assess a rate varying according to the hazard of the property involved, and thus relieve themselves, to a certain extent, from assessing the fire loss or damage in the general tax. However, this would require a special organization. It would not be practicable to handle it through the post office, and a sad tangle, embarrassing to all classes of business, would be sure to result. The Government, the State and central governments derive a large income from the insurance business as it is now carried on. This, of course, would be lost if the insurance business should be administered by the Government.

"The great majority of the insurance companies are willing to do all they can to uphold the hands of the Government. There are many offices, however, we believe, that are not doing all they could, or should. It is difficult to secure the proper amount of insurance on many munition plants. This is not as it should be, and the underwriters themselves should rise to the situation, stop criticism, and do their part.

"The fire companies are seeking to reduce the tremendous fire waste to the best of their ability; and the liability companies are continuously studying methods for reducing the loss to life and the prevention as best can be done, of physical damage. There are many underwriters making a constant and close study of these matters, and they are doing their bit on behalf of the country as conscientiously as they can. The underwriter who is a slacker and who is not doing his part ought to be admonished, and if this does no good, other steps should be taken to bring him in line, and make the capital that he handles more productive of good than it has been in the past. There is no reason for any shortage of insurance, I believe, except in most extreme cases, and even in those, methods can be devised to care for them."

W. A. BISHOP, the famous Canadian aviator, has been promoted and is now Lieut.-Col. Bishop, V.C., D.S.O., D.F.C. and M.C. Bishop is Canada's most famous aviator, and one of the world's most successful aerial fighters. He was born at Owen Sound, Ont., was educated at the Royal Military College, and went overseas in the infantry later being transferred to the flying service.

**THE Molsons Bank**

Incorporated by Act of Parliament 1855.

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

Head Office - Montreal

**BOARD OF DIRECTORS**

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

Edward C. Pratt, - General Manager

**THE Royal Bank of Canada**

Incorporated 1869

Capital Authorized - \$25,000,000  
Capital Paid-up - \$14,000,000  
Reserve Funds - \$15,000,000  
Total Assets - \$386,000,000

**HEAD OFFICE: MONTREAL**

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

520 Branches in CANADA, NEWFOUNDLAND, CUBA, PORTO RICO, DOMINICAN REPUBLIC, COSTA RICO, VENEZUELA, BRITISH WEST INDIES,

SPAIN, Barcelona—Plaza de Cataluna 6.  
LONDON, Eng. NEW YORK  
Prince Street, E. C. Cor. William & Cedar St.

SAVINGS DEPARTMENTS' at all Branches

**BANK OF BRITISH NORTH AMERICA**

(ESTABLISHED IN 1836)  
Incorporated by Royal Charter in 1840.

Paid-Up Capital, \$4,866,666.  
Reserve Fund, \$3,017,333.

Head Office: 5 Gracechurch St., London, E.C. 3  
Head Office in Canada: St. James St., Montreal,  
H. B. MACKENZIE, General Manager.

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

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

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

SAVINGS DEPARTMENT AT ALL BRANCHES  
G. B. GERRARD, Manager, Montreal Branch.



**THE STANDARD BANK OF CANADA**

HEAD OFFICE - TORONTO

**COLLECTIONS**

Business houses will find our facilities for making collections particularly favorable.

**MONTREAL BRANCH**

E. C. Green, Manager, 186 St. James Street

**THE Home Bank of Canada**



Branches and Connections Throughout Canada.

Montreal Offices: Transportation Bldg. St. James Street.

Hochelega Branch: Cor. Davidson and Ontario Streets.

Verdun Branch: 18 Wellington Street.

"A steadily growing balance in the Savings account indicates thrift in every department of the home".



## Victory Loan Securities

Will be accepted for safekeeping from subscribers for moderate amounts for one year, free of charge.

A special Savings Department has recently been opened. Deposits of \$1 and upwards received.

### THE DOMINION BANK

160 St. James Street, - Montreal

M. S. BOGERT,  
MANAGER

## THE Dominion Savings AND Investment Society

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

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

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

## AMERICAN BANK NOTE COMPANY

Business Founded 1795  
Incorporated by Act of the Parliament of Canada  
ENGRAVERS AND PRINTERS  
BANK NOTES AND CHEQUES  
CORPORATION BONDS  
STOCK CERTIFICATES  
MUNICIPAL DEBENTURES  
and other MONETARY DOCUMENTS.  
Head Office and Works: OTTAWA.  
Branches:—  
MONTREAL, Bank of Ottawa Building.  
TORONTO, 19 Melinda Street.  
WINNIPEG, Union Bank Building.

## BANK OF HAMILTON

Head Office: HAMILTON

ESTABLISHED 1872.  
CAPITAL AUTHORIZED . . . 5,000,000  
CAPITAL PAID UP . . . . . 3,000,000  
SURPLUS . . . . . 3,500,000

### CANADA AT WAR.

(Concluded from page 7.)

gain. We seek no territory, no indemnity, no advantage. But, like you, we are glad and proud to be in, and glad and proud to have been of any service.

You have listened to my brief story of some of the things that have been done. But after all, those things belong to the past—they are written in history, and are now mere records and memories. Nothing that we can now do can change them, and the future, which we have the power to change, is therefore more interesting and more important. The war is not yet over, and the manner of its ending rests largely with us on this continent. In our outlook on the future we are now, thank God, united as Allies, Allies who are working together heart and soul. We realize that tremendous efforts are yet required of us, and I should like again to express my admiration of the magnificent work which you of the United States are doing. If we in Canada can but keep pace with you, we shall be satisfied. We shall at least try.

My last word is a vision which I and other Canadians note with joy is already in the first stages of realization. I see the United States and the British Empire, the two great branches of the English-speaking world, going down through the centuries arm-in-arm, co-operating as brothers, each helping the other, each strengthening the other, and unitedly blessing the world, and making it safe for democracy. The Germans have succeeded in unifying the Anglo-Saxon world.

### MONTREAL STOCK MARKET.

During the past week the local stock market continued the marked activity which characterized it for the past few weeks. The volume of business transacted corresponded almost exactly to that of the previous week, but there was a better underlying tone and a broader market. Prices held up extremely well considering that Wall Street developed a reactionary tendency towards the end of the week. Montreal Power was the most active issue on the local exchange with some 8,200 shares changing hands for a net gain of four points. Other active issues were Brazilian with 5,600 shares and a gain of over three points, Canada Steamships with 3,400 shares traded in, Dominion Steel with 3,300, Shawinigan, Brompton and Asbestos preferred. In fact, almost every stock on the list made satisfactory gains.

Transactions on the Montreal Stock Exchange for the week, with comparisons, follow:

	Week ending		
	Sept. 7, 1918.	Aug. 31, 1918.	Sept. 8, 1917.
Shares . . . . .	37,672	37,676	17,074
Do, unlisted . . .	1,993	1,596	520
Bonds . . . . .	\$80,425	\$96,200	\$577,700

### BANK CLEARINGS.

For the week ended September 5th, bank clearings at 16 Canadian cities aggregated \$210,866,466, an increase over the corresponding week a year ago of \$27,062,117, the bulk of the increase being made up of \$12,000,000 at Montreal and \$11,500,000 at Toronto. Ottawa clearings rose \$1,000,000 and, in the west, Winnipeg's loss of \$2,500,000 was offset by a gain at Vancouver of \$3,500,000. In the east, Hamilton and London showed decreases, and, in the west, besides Winnipeg, Fort William and Medicine Hat showed decreases.

Clearings with changes from a year ago follow:

	1918.	Increase.
Montreal . . . . .	\$82,569,230	\$12,278,999
Toronto . . . . .	62,894,392	11,504,678
Ottawa . . . . .	6,441,430	1,011,307
Hamilton . . . . .	4,316,598	*462,545
Quebec . . . . .	4,280,087	325,402
St. John . . . . .	2,200,964	537,549
London . . . . .	2,234,459	*233,397
Sherbrooke . . . . .	895,744	285,195
Peterboro . . . . .	524,371	13,087
Winnipeg . . . . .	24,000,281	*2,543,979
Vancouver . . . . .	11,479,498	3,411,986
Calgary . . . . .	5,073,122	579,208
Victoria . . . . .	2,351,705	323,942
Lethbridge . . . . .	751,336	124,027
Fort William . . . . .	548,754	*17,482
Medicine Hat . . . . .	304,525	*75,860
Total . . . . .	\$210,866,466	\$27,062,117

\*Decrease.

Saskatoon reported clearings of \$1,257,523; Edmonton \$3,014,268; and New Westminster, \$505,890; Windsor \$1,010,234; Brantford, \$726,198; and Kitchener, \$530,555.

## Bank of Nova Scotia

DIVIDEND NO. 195.

Notice is hereby given that a Dividend at the rate of fourteen per cent. per annum on the paid-up Capital Stock of this Bank has been declared for the quarter ending September 30th and that the same will be payable on and after Tuesday, the first day of October next, at any of the offices of the Bank. The Stock Transfer Book will be closed from the 16th to the 30th proximo, inclusive.

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

Hallifax, N.S., August 23rd, 1918.



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

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

P. M. DURAND,  
Deputy Sheriff.

Sheriff's Office,  
Montreal, 20th August, 1918.



SEALED TENDERS addressed to the undersigned, and endorsed "Tender for Temporary Barracks, Dorval, P.Q.", will be received at this office until 4 p.m. 12 o'clock noon, Tuesday, September 10, 1918, for the construction of temporary barracks, Dorval, P.Q.

Plans and specification can be seen and forms of tender obtained at the offices of the Chief Architect, Department of Public Works, Ottawa, and of the Overseer of Dominion Buildings, Post Office, Montreal, P.Q.

Tenders will not be considered unless made on the forms supplied by the Department and in accordance with the conditions set forth therein.

Each tender must be accompanied by an accepted cheque on a chartered bank, payable to the order of the Minister of Public Works equal to 10 p.c. of the amount of the tender. War Loan bonds of the Dominion will also be accepted as security, or war bonds and cheques if required to make up an odd amount.

By order,  
R. C. DESROCHERS,  
Secretary.

Department of Public Works,  
Ottawa, August 24, 1918.

IF YOU ARE INTERESTED IN AN INVESTMENT which, in return for an outlay of £100 per annum for five years, will thereafter return you an income of from £500 to £1,000 per annum, write for full particulars to AFRICAN REALTY TRUST, LTD. (Capital £400,000, fully subscribed), 36 New Broad Street, London, E.C.2, England.

### PROFESSIONAL

THE SOCIETY FOR THE ADVANCEMENT OF INSTRUCTION IN THE LANGUAGES.—Instruction in the Languages and Mathematics. No. 91 Mance Street, or telephone East 7302 and ask for Mr. E. Kay.

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

## BLACK DIAMOND FILE WORKS.

Established 1863 Incorporated 1877  
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,



SEVENTH ANNUAL REPORT  
OF THE  
**CANADIAN LOCOMOTIVE  
COMPANY, LIMITED**

Balance Sheet at 30th June, 1918

CAPITAL AND LIABILITIES.	
<b>Capital Stock:—</b>	
Authorized 35,000 shares of \$100 each.....	\$3,500,000.00
Issued in:	
15,000 7% Cumulative Preference Shares, fully paid .....	\$1,500,000.00
20,000 Ordinary Shares, fully paid .....	2,000,000.00
	\$3,500,000.00
<b>First Mortgage 6% Forty-Year Gold Sinking Fund Bonds, due 1st July, 1951:—</b>	
Authorized .....	\$2,000,000.00
Whereof issued .....	1,500,000.00
<b>Current Liabilities:—</b>	
Trade Accounts Payable, wages and other charges accrued and due .....	\$936,370.06
Bond Interest accrued Coupon No. 14 (paid 1st July, 1918) .....	45,000.00
Dividend No. 26 on Preference Shares for three months to date (paid 1st July, 1918) .....	26,250.00
Dividend No. 4 on Common Shares for three months to date (paid 1st July, 1918) .....	30,000.00
	1,037,620.06
<b>Reserves:—</b>	
General Depreciation .....	\$450,000.00
Amortization of expenditure on Munition Equipment .....	65,000.00
Special Replacements .....	165,000.00
Sinking Fund .....	47,907.08
	727,907.08
<b>Profit and Loss Account:—</b>	
Balance at credit thereof .....	\$29,417.00
	\$7,694,944.14
ASSETS.	
<b>Fixed Assets:—</b>	
Real Estate, Buildings, Plant and Equipment, including Goodwill (\$2,722,006.24):	
Balance, 1st July, 1917 .....	\$5,495,071.86
Additions during year .....	60,234.01
	\$5,555,305.87
Less: Sales and Deductions .....	63,756.52
	\$5,491,549.35
<b>Sinking Fund Investment Account:—</b>	
\$33,500.00 Company's First Mortgage Gold Bonds purchased and held by Trustees, cost.....	\$ 31,791.59
Cash in hands of Trustees, including July, 1918, coupon.	1,115.49
Cash payable to Trustees on or before 1st July, 1918...	15,000.00
	47,907.08
<b>Investment in Dominion of Canada 5½% Victory Bonds, par value \$250,000, cost.....</b>	
Add: Interest accrued thereon to date.....	1,145.84
	\$248,915.72
<b>Current Assets:—</b>	
Work-in-Progress, at cost, less cash received on account thereof .....	\$496,885.40
Materials and Supplies, at cost .....	390,663.17
Trade Accounts Receivable, less Reserve for Bad Debts.	415,238.96
Officials' & Employees' Balances, including balance of amount due from latter for Victory Bonds purchased on their behalf .....	29,733.06
Cash in Banks and on hand .....	567,006.08
	2,148,442.39
Deferred Charges to Operations .....	7,045.32
	\$7,694,944.14

J. J. HARTY, President and Director.  
F. G. WALLACE, Director.

AUDITORS' REPORT AND CERTIFICATE.

To the Shareholders of the Canadian Locomotive Company, Limited, Kingston, Ontario:

In accordance with Section 94B of The Companies Act Amendment Act 1917 (Dominion) we report to the Shareholders of the Canadian Locomotive Company, Limited, that we have examined the books and accounts for the year ended 30th June, 1918, and that we have obtained all the information and explanations we have required.

We hereby certify that the above Balance Sheet at 30th June, 1918, is, in our opinion, properly drawn up so as to exhibit a true and correct view of the state of the Company's affairs at 30th June, 1918, according to the best of our information and the explanations given to us, and as shown by the books of the Company at that date.

Toronto, 21st August, 1918.

GEORGE A. TOUCHE & COMPANY, Chartered Accountants, Auditors.

To the Shareholders

Your Directors submit herewith statement of Assets and Liabilities and Profit and Loss Account as at the 30th of June, 1918.

Profit from Operations for year ended 30th June, 1918, after charging Business Profits War Tax and all other charges except

Bond Interest and Depreciation .....	\$669,916.18
Add:	
Interest from Investments .....	8,020.84
	\$677,937.02

Deduct:	
Interest on First Mortgage Bonds.....	\$ 90,000.00
Provision for Special Replacements .....	25,000.00
Provision for Depreciation .....	100,000.00
	215,000.00

(Add: Adjusted Balance at credit 1st July, 1917, brought forward. \$462,937.02)

706,479.98

\$1,169,417.00

Balance appropriated as under:—

Sinking Fund provision .....	\$ 15,000.00
Dividends for year:—	
On Preference Shares, Nos. 23 to 26 inclusive .....	\$105,000.00
On Common Shares, Nos. 1 to 4 inclusive .....	120,000.00
	225,000.00
	240,000.00

Balance at credit 30th June, 1918, carried forward, per Balance Sheet .....

\$929,417.00

We have taken the sum of \$125,000 from our Profits and added \$100,000 to Depreciation Reserve Account, and \$25,000 for Special Replacement Account, both being the same appropriations in amount as in the previous year.

Following the precedent of reviewing the profits year by year commenced in 1917, we again repeat it:—

For the year ending 30th June, 1912.....	\$326,380.43
" " " " " " 1913 .....	396,886.02
" " " " " " 1914 .....	342,057.25
" " " " " " 1915 .....	134,613.89
" " " " " " 1916 .....	574,211.78
" " " " " " 1917 .....	721,254.90
" " " " " " 1918 .....	677,937.02

which, you will observe, makes an aggregate sum of.....\$3,173,341.29 or an average net earning of \$453,334.47 per annum.

Again we have to record our appreciation of the loyalty shown us by our employees, who have supported the efforts of our management in the most satisfactory manner.

The prospects for the coming year are of the brightest. We have contracts in hand that will keep our shops fully occupied for many months to come, all taken at satisfactory prices, and unless something occurs in the matter of supplies, material, or something unforeseen, our next year's statement should be as satisfactory.

Yours faithfully,  
EMILIUS JARVIS,  
Chairman of the Board.



## Solid Growth

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

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

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

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

## AN IDEAL INCOME

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

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

on its  
**MONTHLY INCOME PLAN**

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

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

WALTER I. JOSEPH, Manager.

Province of Quebec and Eastern Ontario,  
Suite 502 MCGILL BLDG., MONTREAL, QUE.

**Commercial Union Assurance  
Company, Limited.**  
OF LONDON, ENGLAND.

The largest general Insurance Company in the World.  
Capital Fully Subscribed . . . . . \$ 14,750,000  
Capital Paid Up . . . . . 1,475,000  
Life Fund, and Special Trust Funds . . . . . 73,045,450  
Total Annual Income Exceeds . . . . . 57,000,000  
Total Funds Exceed . . . . . 159,000,000  
Total Fire Losses Paid . . . . . 204,667,570  
Deposit with Dominion Government . . . . . 1,323,333  
(As at 31st December, 1917.)  
Head Office, Canadian Branch:  
Commercial Union Bldgs., 232-236 St. James Street,  
Montreal, Que.

Applications for Agencies solicited in unrepresented districts.  
J. MCGREGOR - Manager Canadian Branch,  
W. S. JOPLING - Assistant Manager.

# \$5,000

Provision for your home, plus  
**\$50 A MONTH**

Indemnity for yourself.

**OUR NEW SPECIAL INDEMNITY  
POLICY**

Shares in Dividends.

Waives all premiums if you become totally disabled.

Pays you thereafter \$50 a month for life.

Pays \$5,000 in full to your family no matter how many monthly cheques you may live to receive.

Ask for Particulars.

**CANADA LIFE**  
TORONTO

### PREVENTABLE FIRES TOO MANY.

Insurance Commissioner Phillip H. Wilbour, of Rhode Island, announces that plans are under way with the State Board of Education to introduce into the public schools a course instructing children in the essentials of fire prevention and protection, as a means of reducing the annual fire loss from preventable causes. Fire losses for 1917 in Rhode Island totaled \$3,049,897, the commissioner's report shows, of which 60 per cent could be saved by care, it is estimated.

### UNDERWRITERS' CONVENTION.

The first international convention of Life Insurance Underwriters of the U. S. and Canada convened at the Hotel Astor, New York, this week. Nearly 2,000 delegates were present. The organizations represented were the National Association of Life Underwriters and the Life Underwriters Association of Canada. Lawrence Priddy, of New York, president of the National Association, presided.

Orra S. Rogers, president of the New York Association of Underwriters, welcomed the visitors, responses being made by J. T. Wilson, president of the Canadian Association, and President Priddy, of the National body.

The following officers were elected for the ensuing year: President, J. K. Voshell, Baltimore; Vice-President, Warren C. Flynn, St. Louis; F. Oellason, St. Paul, and P. A. Wintermute, Calgary; Secretary, Hiram M. Taylor, Wheeling, W.Va.; Treasurer, Wm. Wood, Pittsburg.

### FIRE PREVENTION DAY.

According to present indications, there will be practically unanimous support by Governors and other State officials of Secretary McAdoo's suggestion to the National Board of Fire Underwriters that Fire Prevention Day be observed this year on November 2 instead of October 9, as has been the custom.

The National Board has already received telegrams of concurrence from the Governors of twenty-four States, including New York, Pennsylvania, Massachusetts, Connecticut, Indiana, Michigan, Minnesota, Rhode Island, Louisiana, Maryland, Ohio, South Carolina, Tennessee and Vermont. In addition the fire marshals of twenty-one States have also expressed their hearty co-operation in making the proposed postponement effective.

Mr. McAdoo pointed out in his message that the Liberty Loan campaign will be in full swing during October and that it would be a matter of "practical patriotism" this year to postpone the observance of Fire Prevention Day. The National Board gladly approved Mr. McAdoo's suggestion and at once wired the officials of the different States.

Last year, it has been stated, the Governors of thirty-three States and the Mayors of 500 cities issued Fire Prevention Day proclamations.

### JULY FIRE LOSSES

Losses by fire in the United States and Canada during the month of July, as compiled from the records of The New York Journal of Commerce, reach a total of \$24,537,000, an increase of 50 per cent over the figures for the same month last year, which were \$16,143,050, and even \$1,500,000 greater than the July, 1916, record, when Black Tom Island contributed \$11,000,000 of the \$23,013,800 total. The losses for the first seven months of 1918 aggregate \$168,559,635, which compares with \$158,764,775 for the same months in 1917. During July this year there were 253 fires, each causing an estimated property damage of \$10,000 or over. The loss in Canada is shown at \$1,527,000 for the month, according to these totals.

Detailed losses in Canada are as follows:

London, Ont., stables . . . . .	\$ 10,000
Windsor, grocery stock . . . . .	20,000
Vancouver, B.C., oil plant . . . . .	20,000
Vancouver Builders' Supplies, warehouse . . . . .	40,000
Vancouver, B.C., logging camp . . . . .	50,000
Graham, Ont., business section . . . . .	150,000
Point Grey, B.C., sawmills . . . . .	125,000
Thorold, Ont., pump factory . . . . .	200,000
Cardston, Alta., livery barns . . . . .	15,000
Ladner, B.C. horse sheds . . . . .	10,000
Montreal, Que., coal and wood yards . . . . .	10,000
Winnipeg, Man., four business houses . . . . .	150,000
Pembroke, part of business section . . . . .	500,000
Toronto, paint and glass factory . . . . .	150,000
Toronto, coal sheds . . . . .	12,000
Quebec, railway workshops . . . . .	75,000

## UNION ASSURANCE SOCIETY LIMITED

OF LONDON, ENGLAND

FIRE INSURANCE, A.D. 1714.

Canada Branch, Montreal:

T. L. MORRISEY, Resident Manager.

North-West Branch, Winnipeg:

THOS. BRUCE, Branch Manager.

AGENCIES THROUGHOUT THE DOMINION

### HERE IS YOUR OPPORTUNITY

The success which has attended the operations of the North American Life throughout its history has made association with the Company particularly inviting.

The year 1918 promises to be bigger and better than any heretofore. Some agency openings offer you an opportunity at this time.

Correspond with

E. J. HARVEY, Supervisor of Agencies.

## NORTH AMERICAN LIFE ASSURANCE COMPANY

"SOLID AS THE CONTINENT"

HEAD OFFICE . . . . . TORONTO, Can.

Founded in 1806.

## THE LAW UNION AND ROCA 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.

## 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.

### Monthly Income Policies a Necessity

A legacy of life insurance amounting to \$100,000 was completely dissipated in seven years by faulty investments and expensive living; in another case a beneficiary squandered the proceeds of a life insurance policy amounting to \$50,000 in a single year. To protect the beneficiary against inexperience in making investments and against extravagance the monthly income policy has been introduced providing an automatic, safe and profitable investment of life insurance funds. Supplement your existing insurance with a monthly income policy. It can be written on the life, limited life or endowment plan. Such a policy with our disability clause incorporated is without an equal in furnishing ideal household protection. We will gladly furnish full particulars and illustrations.

**THE MUTUAL LIFE ASSURANCE  
Company of Canada**

WATERLOO

ONTARIO



# COMMODITY MARKETS

## Week's Wholesale Review

There is a more composed feeling in wholesale trade circles owing to the rapid progress we are making in the great war centre. The Canadian Government through the War Board, have taken over the control of steel production, in order to get the greatest efficiency as well as the maximum of production out of their products.

It is reported that the British Food Controller has issued an order requiring all the canned salmon in Canada. The sardine industry in Canada is developing rapidly, and large amount of new capital has recently been invested in it. New regulations restricting the use of sugar have been issued by the Food Board, only one pound of sugar is permitted to every forty-five persons in hotels, public restaurants, etc. Manufacturers of soda waters, etc., can only use twenty-five per cent of the monthly amount used during the year 1917. Manufacturers of biscuits and cakes must not use more than forty pounds of sugar to one hundred pounds of flour and fifty per cent must be brown or yellow sugar. It is stated that householders are also to be restricted.

The market for mill feed is very firm, but owing to the limited quantities offering sales are confined to small quantities. The Government have again become buyers of hay for Army purposes, and the market is firm and active.

Crop prospects in the North-west continue to improve, but weather conditions during the week have been unsuitable for harvesting. Quebec and Lower Province crops will be larger than anticipated and of high quality.

Remittances from outside districts are very satisfactory. City collections show considerable improvement. Retail trade is better owing to the large number of families moving back to the city for the school opening.

## COUNTRY PRODUCE.

The demand for eggs continues good with the result that prices are tending towards higher figures. The receipts for the week ending September 7th, 1918, were 5,795 cases, as compared with 8,210 for the previous week, and 5,266 for the same week last year. The total receipts since May 1st, 1918, to date, were 194,068 cases, as against 211,809 for the corresponding period in 1917.

We quote wholesale prices as follows:

Selected new laid eggs	0.51	0.52
No. 1 stock	0.47	0.48
No. 2 stock	0.45	0.46

The demand for honey is good and an active business was done in white clover in comb at 25c to 26c per section, white extracted in 30 lb. tins at 23c per lb., and buckwheat honey at 20c to 21c. According to advices received here from the different sections of the country the yield this year has been larger and as prices have ruled much higher than the previous season, the returns to producers have been satisfactory.

The trade in beans on spot continues slow owing to the fact that buyers in most cases seem to be fairly well supplied for the time being, and in consequence the market has been quiet. There has been no actual change in prices, but the prospects are that if the Ontario crop turns out as good as expected at present values, will rule lower later on. Hand-picked beans are quoted at \$8 to \$8.50, Quebec grades at \$7.25 to \$7.75, and Japan beans at \$7.75 to \$8.25 per bushel.

The feature of the week in the potato trade was the arrival of two cars of Cobblers from New Brunswick which cost \$1.95 per bag of 90 lbs. ex track here and as domestic grades were selling in round lots at much less money, the holders had some difficulty in disposing of them at prices to get their own back. The trade on spot in a wholesale jobbing way has been active during the week with supplies ample to meet all requirements, and sales were made at \$1.75 per bag of 80 lbs. ex store.

## THE PROVISION MARKET.

The local hog market was firmer last week and prices for selected lots at \$20.25 were paid. There was an easier feeling in the market for dressed hogs and prices were reduced 50c per 100 lbs. which

was due to the somewhat limited demand and the bulk of the trade in a wholesale jobbing way in abattoir fresh-killed stock was done at \$28.50 to \$29 per 100 lbs.

A good steady trade has been done during the week in most lines of smoked and cured meats for local and country account, and as supplies have not been much in excess of the requirements, there was no important changes in prices announced. In a wholesale jobbing way sales of 8 to 10 lb. hams were made at 37c to 38c per lb., 12 to 15 lbs., at 35c to 36c, and heavier weights at 34c to 35c, breakfast bacon at 41c to 42c. Winter selected bacon at 45c to 46c and Windsor boneless bacon at 48c to 50c. The trade in barrelled pork continues very slow and the market is dull, but prices show no changes as yet. American bean pork in car lots was quoted at \$43 per barrel duty paid, clear short cut pork at \$49, and clear cut back pork at \$59.

There has been no change in prices for lard, but the undertone to the market was firmer owing to the improved demand for supplies on account of the cooler weather prevailing, and a fair trade was done in a wholesale jobbing way in Canadian pure leaf grades at 32c per lb. in 20 lb. wood pails, and at 33c per lb. in 1 lb. blocks, while American compound lard sold at 27c to 27½c per lb. in 20 lb. wood pails.

The receipts of provisions to-day were 104 packages lard, and 531 packages tinned meats.

## THE DAIRY MARKET.

The only important development in the butter trade last week was the spirited bidding which prevailed at the auction sale on Friday for finest creamery between two local buyers, and in consequence the price was advanced ¼c per lb. to 43½c which figure with the commission added means, 43½c. The best bid at this sale for pasteurized creamery was 43½c and refused, but on Saturday the lot was sold at 43½c or 44½c with commission, but the lot of fine creamery offered is still unsold for which 42½c was bid and refused. The total offerings at the above sales this week amounted to 2,821 packages as against 2,801 for the previous one.

The receipts of butter for the week ending September 7th, 1918, were 15,160 packages, which show an increase of 299 packages as compared with the previous week, and an increase of 4,635 packages with the same week last year, while the total receipts since May 1st, 1918 to date show an increase of 55,775 packages as compared with the corresponding period last year.

We quote wholesale prices as follows:

Finest creamery	0.43½	0.43½
Fine creamery	0.43	0.43½
Finest dairy	0.38	0.38½
Fine dairy	0.36	0.37

Owing to the keener competition between buyers for the offerings of cheese in certain sections of the country, prices in some cases were stronger again this week, and advanced to ¼c per lb., the range paid being from 22½c to 22 7-16c per lb. f.o.b. points of shipment.

The receipts of cheese for the week ending September 7th, 1918, were 63,308 boxes which show a decrease of 4,575 boxes as compared with the previous week and a decrease of 8,392 boxes with the same week last year, while the total receipts since May 1st, 1918, to date show a decrease of 20,727 boxes as compared with the corresponding period in 1917.

The Dairy Produce Commission is paying the following prices:

No. 1 cheese	0.23
No. 2 cheese	0.22½
No. 3 cheese	0.22

## BUTTER AND CHEESE RECEIPTS.

The following table shows the receipts of butter and cheese in Montreal for the week ending September 7th, 1918, with comparisons:

	Butter, pkgs.	Cheese, boxes.
Week ending Sept. 7th, 1918	15,160	63,308
Week ending Aug. 31st, 1918	14,861	67,883
Week ending Sept. 8th, 1917	10,525	71,700
Total receipts May 1st, 1918 to Sept. 7th, 1918	290,714	1,209,598
Total receipts May 1st, 1918, to Sept. 8th, 1917	234,939	1,230,325

## WEEKLY GRAIN SHIPMENTS.

Bradstreet's figures of the week's wheat and flour exports from the United States and Canada, compared with previous years, are as follows, in bushels:

	1918.	1917.	1918.
Sept. 5	2,737,075	3,026,257	7,313,336
Aug. 29	3,546,352	3,779,464	8,182,528
Aug. 22	3,674,661	6,018,982	8,994,919
Aug. 15	1,958,906	6,575,065	7,808,689
Aug. 8	1,232,157	3,549,670	6,098,039

Bradstreet's figures for the week's corn exports compared as follows, in bushels:

	1918.	1917.	1918.
Sept. 5	263,544	195,554	1,703,057
Aug. 29	160,091	327,507	1,271,048
Aug. 22	125,313	542,801	1,297,218
Aug. 15	395,872	579,212	1,538,799
Aug. 8	252,338	1,084,637	1,578,727

## CANADA CONTROLS WHEAT SALES.

Complete control of the purchase and sale for export of Canadian wheat has been assumed by the Government; control of methods of exports has also been assumed.

Under the new arrangement, the situation will be:

(1) The price for wheat for the crop of 1918 has been fixed and will be maintained for the crop year.

(2) The purchase of wheat and grains for export and for international demands will be thrown open to dealers and shippers as before the war, subject however, to supervision and control by the Government.

(3) The Government will guarantee the purchase of all surplus merchantable wheat raised by Canadian farmers in the year 1918 at the price already fixed.

(4) The apportionment and distribution of wheat for Canadian mills and for export will be made under government control, as also will be the supervision and allotment of cars and lake tonnage, arrangements for lake insurance and shortages, and the mechanism for insuring the steady, speedy and effective transport of wheat from the head of the lakes to the seaboard.

(5) The board of grain supervisors, whose members represent the interests of grain producers, of shipping and forwarding agencies, of the millers and consumers of grain products, has been entrusted by the Government with the carrying out of the above programme and clothed with full powers for executing the same.

Under the arrangement of last year, the sole purchase of wheat for export was placed in the hands of the Wheat Export Company, whose headquarters are in London, with branches in New York and Winnipeg.

## THE CROPS.

Ottawa, September 4, 1918.

A summary of telegraphic reports on the condition of field crops in Canada at the end of August was issued to-day by the Dominion Bureau of Statistics as follows:

**Atlantic Provinces:** Prince Edward Island (Charlottetown): Hay crop will be up to average. Small fruits medium; crop early. Harvesting started with indications of heavy crop. Slow growth in corn. Potatoes promise an excellent crop. Nova Scotia (Nappan): Roots and grain made excellent growth. Potatoes and beans fair. Blight in potatoes prevalent. Hay slightly below average, but cured in good condition. Turnip feed ripening nicely. (Kentville): Grains which are an excellent crop have ripened well, and considerable has been harvested. Roots are looking well. Potatoes have shown considerable early blight. Apples a medium crop. New Brunswick (Fredericton): Conditions good for an average hay crop and for ripening grain. A record yield of wheat and oats now assured. Corn is generally a failure. Early potatoes of good quality but yield is disappointing. Turnips good where not attacked by aphids.

**Quebec—Roberval (Chicoutimi and Saguenay):** Hay harvest has been comparatively good. Frost in certain places has injured tobacco and potatoes. Cereals are ripening well and promise a good yield, especially wheat. Ste. Anne de la Locatiere (Kamou-



raska): Weather conditions favorable for ripening of cereals, the first sown of which are very good. Late sown cereals will probably not ripen. Potatoes injured by late blight and drought of late date lessens the prospects of a general heavy yield. European plums a failure; apples half a crop. Hay good. Cap Rouge: All grain very good, except barley, which is good. Early potatoes are extra; late potatoes are commencing to suffer from blight. Apples are poor, and there are practically no plums. Roots for stock are good, but corn for silage is the worst crop in years. Lennoxville: Hay an average crop. The grain harvest is one of the best for some time. Roots are promising; silage corn poor. Makamik (Pontiac): Haying done; quality fair. Yield of early sown grain probably 15 per cent above average; late sown very poor. Vegetables average, though potatoes badly frosted in places.

**Ontario.**—The Ontario Department of Agriculture reports that fall wheat is a fifty per cent crop of good quality. Barley, oats and spring wheat are well harvested; the yields and quality of grain are excellent, and the straw is clean. Peas good; beans fair; silo corn promising; early potatoes fair; late ones poor. Roots are now recovering from drought, pastures are reviving. The labor situation during harvest was nicely met. Ottawa (Central Experimental Farm): The harvesting of grain is about completed, and the threshing yields are extra good, being decidedly above average. The corn crop is not quite up to the average; it is very good in some sections, particularly near Ottawa, but in other districts it is not so good, owing to the unfavorable weather of June and poor seed. Roots are a fair crop, recent rains having benefited turnips and mangolds very materially.

**Manitoba.**—Morden (Experimental Farm): Probably fifty per cent of the grain crops are already cut and nearly as much in stock. The heads are especially well filled and the kernels plump. The wheat crop will be above average in this section, with oats and barley bumper crops. No hail or frost injury, but rust prevalent. Rust and wet weather have combined to make harvest difficult. No threshing has been done. Potatoes promise to be a record breaker; certainly 400 bushels to the acre on this farm. Many vegetables slow to ripen on account of cool weather and great rainfall.

**Saskatchewan.**—The Saskatchewan Department of Agriculture reports that the recent rains have changed conditions in the southern and central parts of the province for the better, and the crop yield will be higher than anticipated. The southwestern and west central districts report that while the rains came too late to increase the crop yields to any great extent, yet the later sown grains will be greatly benefited and will result in much more feed than was thought would be available. In the northwestern, northeastern and the northern parts of the east central districts frost has inflicted serious damage, varying from five to seventy-five per cent. Indian Head: All grain has filled exceptionally well; no damage from frost, hail or rust reported from this district. Seventy per cent of wheat cut. Conditions have improved greatly and yield will be heavier than first expected, while sample will be exceptionally good. Scott: Fine weather prevailing; some rain late in month. Wheat harvest well advanced, but extremely light; early oat crop poor. Some late crops will require three to four weeks free from frost. Barley improved. Potato crop generally very late.

**Alberta.**—The Alberta Department of Agriculture telegraphs that the harvest is in full swing throughout the province and a fair crop is being reaped. Outlook in Peace River country very optimistic. Weather somewhat irregular; considerable rain having fallen in many parts. Outlook for the live stock problem promising. Lacombe: Rains have greatly benefited green feed and pastures and relieved the feed situation materially. Later grain for threshing also filled better than expected at time. Lethbridge: The wheat harvest in southern Alberta well advanced. In many localities, in drier districts, it is already completed, and threshing in isolated cases started. This part of the province will produce enough wheat for seed next season and have some to spare, but the oat and barley crop is almost nil.

**British Columbia.**—Agassiz: Unsatisfactory harvesting weather during August. Precipitation 7.94 which is 5.3 inches more than average for twenty-seven years. Grain badly discolored; a quantity which germinated in sheaf straw only fit for bedding. Roots promise good crop. Potatoes blighted. Second crop of clover much improved. Invermere: Crops generally under irrigation are very good; dry farming results poor. Heavy crop of second cut clover and

**GRAIN AND FLOUR STOCKS.**

The following table shows the stock of grain and flour in store in Montreal for the week ending September 7th, 1918, with comparisons:

	Sept. 7, 1918.	Aug. 31, 1918.	Sept. 8, 1917.
	Bush.	Bush.	Bush.
Wheat . . . . .	1,975,916	1,372,556	298,282
Corn . . . . .	122,271	125,814	19,337
Peas . . . . .	41,420	41,420	.....
Oats . . . . .	3,591,253	2,724,523	609,920
Barley . . . . .	387,489	391,069	103,451
Rye . . . . .	.....	.....	1,680
Flax . . . . .	.....	7,994	.....
Flour, sacks . . . . .	17,395	20,614	55,516

**LOCAL FLOUR.**

A moderate amount of business was done in old crop spring wheat flour with sales of car lots for shipment to country points at \$11.35 per barrel in bags f.o.b., Montreal, and to city bakers at \$11.45 delivered. Millers report many orders booked for straight cars of new crop flour and mixed car lots for future delivery at fixed price (not yet decided upon). The market for winter wheat flour showed no changes, prices were maintained and there was a steady demand for supplies and sales of broken lots were made at \$11.60 per barrel in new cotton bags, and at \$11.30 in second-hand jute bags ex-store.

**SUBSTITUTES.**

The market for substitutes was easy and prices for rye flour scored a further decline of 25c per barrel, which was attributed to the increased offerings, and sales of broken lots were made at \$12.25 per barrel in bags, delivered to the trade, and it is expected that prices will go lower in the near future, as new crop rye flour is being offered for future delivery at low figures. The tone of the market for Government standard corn flour ruled steady with a moderate amount of business passing in broken lots for local and country account at \$10.70 to \$10.80 per barrel in bags. The demand for oat flour and white corn flour was good and prices were maintained at \$12 per barrel in bags. The trade in barley flour has been quiet at \$12, and Graham flour at \$11.05.

**LOCAL GRAIN.**

An active trade was done last week in American corn due to the increased consumption of corn flour and corn meal. The tone of the market became stronger and sales of fully 100 cars of sample corn were made for shipment from Chicago at \$1.50 to \$1.75 per bushel track here, with the bulk of the business at \$1.63 to \$1.64, and some low grades sold as low as \$1.34. Trade in oats was quiet because buyers on spot had ample supplies on hand and the demand from outside sources was limited. The Winnipeg option market ruled firm throughout the week, and in consequence prices on spot were maintained and showed no change as compared with the closing figures of the previous week. Sales of car lots of No. 3 Canadian western were made at 97c to 98c, extra No. 1 feed at 97c to 98c, No. 1 feed at 98c to 95c, No. 2 feed at 90c to 91c, Ontario No. 2 white at 90½c, and No. 3 white at 89½c per bushel ex-store. A sale of 10,000 bushels was made for shipment to St. John's, Nfld. The local demand for barley was better and a fair amount of business was done both in Manitoba and Ontario grades for shipment. The local market ruled steady and prices are unchanged with sales of car lots of Ontario extra No. 3 at \$1.32, No. 3 at \$1.30, and Manitoba sample grade at \$1.25 per bushel ex-store.

alfalfa has been cut. Wheat, barley, corn and roots very good; oats fair. Summerland: Apricots, peaches, plums and pears exceeded expectations. Winter apples, owing to increased size, may reach seventy-five per cent of last year. Much hay was harvested in poor condition on account of rain, but rain has helped dry farmers. Some farmers who expected nothing will be able to cut grain for hay. Sidney, V. I.: All crops harvested in good condition. Twenty-five per cent threshing done. Very dry. Ploughing difficult. Pasture short; supplementary feeding necessary for dairy cattle. Live stock being slightly reduced. Feed of all kinds high in price.

**OUTPUT OF COAL IN WEST.**

In the Edmonton district of the Alberta coalfields the mines have been running on low output recently. The Humberstone Mine, which has been producing 550 to 600 tons a day out of a total capacity of 1,000 tons, had to shut down for a week recently on account of lack of orders. Unwarranted reports that anthracite would be shipped to Manitoba from the East caused a falling-off in orders, it was stated by mining men. The Deputy Fuel Controller denied the authenticity of these reports, and re-affirmed the original decision that anthracite would not be shipped to the West. The mining industry of the West has suffered considerable damage as a result of the conflicting reports, as consumers had held off from ordering Western in the expectation of securing anthracite. The lack of orders has had an unfavorable effect on the industry, causing shutdown. The facts of the case are that no coal will be shipped from the East, for any point except Winnipeg, and even this city will receive very little.

A comparison of the total output of coal in Alberta for the first six months of 1917 and 1918 is as follows:

	1917.	1918.
January . . . . .	514,974	646,338
February . . . . .	459,408	481,407
March . . . . .	467,453	435,094
April . . . . .	211,901	407,087
May . . . . .	100,165	414,075
June . . . . .	104,779	*430,000
Total . . . . .	1,858,680	2,814,001

\*Estimated.

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