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## The Journal of Commerce

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By J. W. MacMillan.

#### The Munition Credits and Increase of Bank Deposits.

By H. M. P. Eckhardt.

#### Business and Banking in the United States.

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### Immigration

CANADA after the war will need a large immigration to fill up the vacant lands and form a large population to bear the burdens of taxation that must be faced as one of the consequences of the part our Dominion has played in the great conflict. That we shall ultimately receive a broad stream of immigrants is reasonable to believe, but it may not come as soon as some expect. The work of reconstruction in all the warring nations of the Continent will furnish abundant employment, probably at good wages, and thus there will be less desire than usual to leave the home country. Then, it is certain that the governments of foreign nations will desire to retain their population and that they will prohibit or discourage emigration. Even in England there will be a desire to retain the people so that the work of re-building the industrial life of the nation may be effectively carried on. The prohibition of emigration which may be adopted by the continental nations will hardly be attempted in England. But there will be a natural desire on the part of the authorities to discourage it. Even to the Overseas Dominions, to which a preference will certainly be given in any emigration policy that may be devised, the British authorities will not be anxious to send men whose services may be thought necessary at home. There will, however, probably be a strong desire among the returned British soldiers to begin life anew under conditions of a more hopeful nature than have in the past been open to the toilers of the old land. The English novelist, Mr. A. St. John Adeock, in a recent article, deals with this side of the coming problems:

"Whilst I was in France recently I talked with men at the base camps and up behind our front lines, and they, like the girls they left behind them, have been broadening their outlook. For every man who confessed to yearnings to be home again on the restricted, subservient round of the office or the shop, there were at least two who shrank from such an unpromising prospect. They are mingling with Australians and Canadians out there, and see some significance in the fact that whilst they have to rub along on one shilling or so a day their overseas comrades are affluent with six or seven. This, and what they hear from Australians in particular of the more democratic rule, the greater freedom from class distinctions, under the Southern Cross, seem to have convinced them that the new lands and not the old are the places where ordinary men may hope to make money and progress.

"Again and again I was told, with variations of phrase, 'When this is over I'm not going on with the old grind at home any

more. I mean to try my luck in Australia or Canada. A man gets a chance there.'"

It is from this source that Canada may expect a considerable immigration. The prospect of our receiving an influx of British people is a pleasing one, for the building up of the Dominion with a population governed by British ideas is a very gratifying thing. The question of how these new comers are to be met and afforded an opportunity to make homes in our country is one of the most serious problems of the early future. For those who have health and strength and willingness to undertake work on the land there is every prospect of success. Much attention is being paid to this side of the question by the Governments and by Commissions appointed for the purpose, and also by the railway companies which have lands for sale. We may confidently hope for such co-operation among these as will give generous encouragement to those who are ready to go upon the land, even to those who have had no experience of such work in the past but bring to the Dominion stout hearts and strong arms. It will be more difficult to deal with those who have neither a knowledge of agriculture nor a willingness to learn.

### The New British Cabinet

IF THE wisdom of Mr. Lloyd George's Government is to be judged by the manner in which it distributes Imperial honors, God help the Empire.

### A Constitutional Question

IN British Columbia a few months ago an important difference arose between the two political parties as to the date on which the then existing Legislature would expire. The period for which the Legislature would continue had relation to the dates of the general election which created the body. All the elections did not take place on the same day. There was a question as to the proper starting point of the reckoning. The Liberals, then in opposition, claimed that the Legislature had expired at a time when, under the direction of the Bowser Government, it continued to sit and do business. The Liberals contended that all legislation enacted after the date which they mentioned was illegal.

The elections brought about a change of government. The Liberals, now in power, find themselves acting under laws which they have themselves declared to be invalid. To meet this situation the Liberal Government are proposing to apply to the Imperial Parliament for the passing of an Act to ratify and confirm the legislation in question. Objection is taken to this proposal in some quarters, and the strange doctrine is advanced that the Dominion Par-

liament is the proper body to pass confirmatory legislation, if such be needed. This view seems to necessarily involve the assumption that the Provincial Legislatures are bodies subordinate to the Federal Parliament. Passages from speeches of Sir John A. Macdonald in relation to the office of Lieutenant-Governor are quoted as if they supported this contention. There is no doubt that Sir John, who was avowedly a centralist and never liked the Federal system, desired to establish between the two legislative powers the relation of superior and subordinate. As far as he could, in his earlier treatment of the question of the disallowance of Provincial Acts, Sir John maintained this conception of the relations between the Dominion and Provincial authorities. But experience and the decisions of the Privy Council in London obliged him to modify his views in this respect. Even in relation to the disallowance of Provincial Acts the right, if not the technical power, of the Federal Government, has been much restricted. No Government at Ottawa now claims the right, at its own will, to veto a Provincial law. In principle the veto power of the Federal Government on Provincial Acts is precisely the same as that of the Imperial Government on Federal Acts and of the King on Imperial Acts — a power which remains in the constitution only because it is never exercised. Since the Imperial Parliament has supreme power in Great Britain and all the dependencies there can be no question as to the constitutionality of any Imperial Act, and therefore there is no room for a veto on constitutional grounds. The Imperial Government would not think of disallowing an Act of the Canadian Parliament unless it appeared to be in conflict with some Imperial obligation, a case so rare that the veto is practically unused. In the case of a Provincial Act the possibility of it trenching on the authority of the higher power is greater than in the other cases, and therefore occasional ground for the exercise of the veto may appear. But in principle the character of the veto power is the same in Ottawa as it is in London. The power of veto exists, but everybody understands that it must be used very rarely, if at all.

Apart from this qualified veto power, and the right to appoint and dismiss Lieutenant-Governors, the Federal and Provincial authorities stand constitutionally in equal positions. The Provincial Legislature derives no power whatever from the Federal Parliament, nor could the Federal Parliament impose any obligation on the Provincial. The Provincial authority springs from the same source as the Federal.

From all this it seems clear that if there has been such a defect as is alleged in the legislation of British Columbia, and if confirmatory measures are desired, only the Imperial Parliament possesses the power to enact a remedial law.

### Railway Labor Troubles in the States

WHEN President Wilson urged the passage of what is called the Adamson law, giving the railway brotherhoods a ten hour payment for an eight hour day, he was strongly censured in many quarters as having yielded too much to the demands of the workmen. His defence was that the country was threatened with a continent-wide railway strike, which, if carried out, would have paralyzed all business and created incalculable trouble and hardship to innocent

people, and that it was only by the prompt enactment of a drastic measure that the strike could be averted. Many thought that the strike would not have occurred, and that the President and Congress showed weakness in yielding to the threat of the brotherhood. The strike, at all events, did not take place. The country seems to have taken the President's view and justified his action. The law was to have taken effect at the beginning of the new year. In the meantime the big railway companies organized to resist the law, which they were advised was unconstitutional. The trial of the issue has been facilitated by the authorities and an early decision by the Supreme Court of the United States is hoped for. The United States Government are defending the Act before the court.

The railway companies are refusing to observe the eight hour law. The workmen have claimed that, pending the decision of the court, the law should go into operation at once. The companies say that if the law be upheld the men will receive the benefit of it, including arrears from the beginning of the year, and that in the meantime the men shall be paid at the old rate. Between the two interests there is a clash on this point, which may yet cause a strike, though some of the representatives of labor are disposed to await the judgment of the court.

There is another branch of the question which is now engaging attention, which seems likely to bring the President into conflict with the labor organizations. When he first recommended the eight hour bill he advised that Congress should adopt the system which has for some years existed in Canada for the settlement or prevention of labor disputes on railways. Our Canadian law does not provide for compulsory arbitration, but it does provide for compulsory investigation before a strike or lock-out is allowed. The theory of the law is that, if both employer and employee can be prevented from taking hasty action, and if inquiry can be had by a board representing all interests, public opinion, with correct knowledge of the facts, will become a powerful agent in settling the dispute. The men's right to strike after the inquiry is not disturbed, but if they strike without resorting to the inquiry provided by the law they become subject to penalties. While there have been a few occasions in Canada on which this law failed to serve its good purpose, it has in many cases prevented or settled labor disputes. Dr. Charles W. Elliott, ex-President of Harvard University, who has made this class of social questions a special study, has pronounced the Canadian law the world's best piece of legislation dealing with industrial disputes. Though President Wilson recommended similar legislation in the United States he did not press for its immediate adoption in connection with the eight hour law. The urgency of the latter, as a means of preventing the threatened strike, was the excuse for separating the two measures. Now, however, the President is endeavoring to induce Congress to adopt the Canadian law. In this effort he is certain to come into conflict with the labor unions which so warmly endorsed his action on the eight hour bill. The labor organizations of Canada have never given their support to the Canadian system, though some representative labor men acknowledge its good points. In the United States the unions generally will probably be against the proposed legislation. They object to any restriction on the right to strike. Under the Canadian law the right of the individual workman to strike is not interfered with. He is free at all times to work or not to work, as he pleases. It is only when he becomes a party to concerted action to strike that the

law steps in to stop him. Before doing that he and his associates are required to call into operation the machinery for inquiry. This does not seem to be an unreasonable restraint upon a man's freedom of action in a matter which concerns the public at large. But the American labor leaders are not likely to submit to such restriction if they can help it. Their objections to the proposed legislation will find friends among the Republicans in Congress and a lively contest is likely to take place.

### "Scenes of Crime or Violence"

SOME time ago, while giving due credit to Canadian censors for their vigilance in excluding from the moving picture theatres pictures of an immoral character, we invited their attention to pictures of a coarse and vulgar class which, though they may not be indecent in the ordinary sense of the word, are objectionable inasmuch as their influence, especially upon the young people who so largely patronize the movies, must be of a debasing character. There is much room for revision of the rules of the censors in this respect. It is not desirable that any officials should be encouraged to place too severe a restriction upon the amusements of the people. Reasonable latitude should be allowed. But is it not possible, without any unfair restriction upon the instruction or wholesome amusement of the people, to shut out many of the displays of vulgarity which are to be found in the movie houses?

There is another aspect of the question to which we desire to call the attention of the Customs authorities as well as the censors. In a revision of the tariff some years ago a section was inserted in the prohibited list, forbidding the importation of "posters and hand bills depicting scenes of crime or violence." It had been the practice of travelling show companies coming from the United States to advertise their exhibitions by startling posters and hand bills representing scenes of crime. The amendment made in the Customs law of that time has served a good purpose. Many a package of this objectionable advertising matter has been seized by the Customs officials and confiscated or sent back across the border. The show people who are in the habit of coming to Canada have become familiar with the law and seldom attempt to bring in the offending advertisements. But the great development of the moving picture business has revived the evil in a more dangerous form. Moving pictures "depicting scenes of crime or violence" are passed by the censors and shown at many of the movie theatres. If printed advertisements depicting the same scenes were brought in they would be promptly seized by the Customs authorities. But the pictures in the form of films for reproduction on the screen are constantly brought in and exhibited. If the Customs law is not broad enough to exclude the films as well as the printed advertisements, the Department should at the present session ask Parliament for the necessary addition to the list of prohibited articles. In the meantime the censors might well take up the matter and refuse approval to films which, in the words of the Customs Act, "depict scenes of crime or violence." The exhibition of pictures of vulgarity, crime or violence in the movies cannot fail to have a bad effect on the minds of the young folk who visit these theatres.

# Minimum Wage Legislation

By J. W. MACMILLAN, Manitoba College.

To those who hope, in spite of long delay and many disappointments, to see the laws of Canada concern themselves as much with the value of human beings as with the value of human property, the conquering progress of the movement for Workmen's Compensation Acts in this country is full of cheer, in no more than a couple of years five of the leading Provinces of the Dominion, in rapid succession, enacted laws patterned on the British Act of 1897, and swept away forever the anachronisms and cruelties of the old common law as applied to industrial accidents. It is true that one Province, British Columbia, acted six years in advance of her sister Provinces for her Workmen's Compensation act dates from 1903. No doubt she got short-circuited somehow to Britain. The other Provinces did not move till the example and provocation came from the United States.

That the spirit of the Canadian people is prepared for such legislation was clearly shown by the practical unanimity of approval from all classes of our nation. It might have been expected that the manufacturers, upon whom the burden of payment is to fall, should have opposed it. The manufacturers of Canada are banded together into as compact, powerful, and energetic a group organization as can be found in the Dominion. They saw at once the implication of such laws, and set their attorneys to watch every proceeding of the Legislatures. To their credit be it said that they did not attempt to prevent such laws being passed. They contented themselves with suggesting amendments favoring their own interests, and, doubtless, while many of their proposals were rejected there was value in the criticism they furnished. They, as well as all other citizens, were content to see the laws championing the rights of humanity. It is obvious, I venture to think, that this Dominion is ripe for social legislation. Her people would approve laws like those of Britain, Australia and New Zealand protecting the weak and salvaging the distressed. The electoral soil of Canada is only fallow, not sterile. If only our politicians could see it!

The Workmen's Compensation acts came by way of the United States after having been born and matured in Europe and the islands of the South Pacific. Another law, of a similar sort, has reached the United States and is now engaging the eager attention of the State Legislatures. It is Minimum Wage legislation on behalf of women and minors. One wonders if this contagion too will be blown across the border.

It was in 1909 that the Massachusetts, first in the Republic, passed a law meant to provide a decent living wage for women and children. It was done after a voluminous report had been prepared by an investigating commission. As with the Workmen's Compensation Acts in Canada all opposition fell away before the disclosure of actual conditions. The law was passed without dissent in the House, and with only one adverse vote in the Senate. It was a very timid law, for it provided no penalties beyond publicity. If any factory or store refused to pay what the State Board declared to be a necessary living wage the refusal might be advertised in the newspapers. No fine, no gaol sentence, only the simple notification of the refusal to customers and neighbors, that was all!

The facts which convinced the public and frightened off opposition in Massachusetts were such as these: It was found, after careful scrutiny of every item of expenditure, that a woman could not maintain herself in wholesome decency on less than \$10 a week. Over against that calculation was set this disclosure of actual conditions, that 79% of the women employed in industry in the State received less than \$459 a year, or an average of \$8.82 a week. The report also stated, that "Less than one quarter of the girls live at home. Loss of time through unemployment and other causes varies from 4 to 14 per cent., is greatest among those poorest paid. They often do without needed medical attention. The average working woman devotes more of her surplus income to the welfare of others than to frivolity or pleasure."

Since 1909 nine other States have passed Minimum Wage laws. None of them have shrunk, as Massachusetts did, from attaching the usual penalties to infraction. Most of them follow the practice of Australia and Britain in the administration of the law, providing for arbitration before State Boards,

where all three parties to the question, the employers, the employees and the public, are represented. Two States, Utah and Arkansas, go so far as to fix the minimum by statute.

And other States besides these nine are at work on it. New York and Idaho have commissions investigating conditions. Ohio incorporated in her revised constitution a clause permitting such laws to be made. If the movement continues to follow the example of the Workmen's Compensation legislation we may expect that ten years hence scarcely a State in the Union will be without a Minimum Wage law. In that case the international boundary will scarcely avail to dam the movement back.

There is indeed in Canada a foreshadowing of such a movement in the Fair Wage schedules adopted for government contracts. Though the value of these as incentives and precedents is lessened by the circumstance that they relate to the wages of adult men, whereas, in the United States at least, the Minimum Wage laws apply only to women and children. We in Canada are not likely to make any wider application.

The day of the dominance of economic theories has passed, and its place has been taken by a day in which moral considerations are supreme. The reaction from the sovereignty of the laissez-faire creed is complete. And it includes a suspicion and distrust of all theories. Never was an intellectual conception so exalted over the lives of men as was this doctrine in the earlier years of the nineteenth century in Britain. Never did an intellectual conception assert itself more assuredly or hold out more glittering promises. And never were glowing predictions more disastrously falsified. The end of it all was endless toil and misery for the mass of those involved. It proved to be the most remorseless instrument of torture with which a privileged few had afflicted their bound and helpless victims in the whole long history of Britain. As Sir Robert Peel said, "Thus every great service of the British

spirit of invention by which machinery in our factories has been brought to such perfection instead of being a benefaction for the nation has become its bitterest curse." What wonder, now that the average worker is able to stand upon his feet and draw breath, relieved from the intolerable load which the hands of theorists and scholars had piled upon his bent back, that he is ready to consign them and their tribe to perdition.

The reaction against lawless freedom in bargaining between capital and labor has taken two paths, according as the labor concerned is that of men or that of women and children. For men the drift has been along the line of self-help. For women and children it has been state-help. There are many signs, indeed, that adult male labor is to be brought under the shelter of the laws; but, on the whole, the men workers so far have relied on their trades-unions. The women and children naturally have been less able to organize for collective bargaining, and the same defencelessness has made them easier victims of the system of lawless bargaining. Longer hours, lower wages, and less wholesome working conditions have been their portion. Hence the pity of the community has been first stirred by their greater need.

This is the programme we may expect; first, the appointment of commissions who will report what a living wage should be and how far short of it the prevailing wages of women and children are. Incidentally it will deal with the current excuses and objections regarding the increasing of wages, such as the proportion of children who support widowed mothers, the number of young women whose fathers support them for the benefit of their employers, etc. If, as is to be expected, this report reveals conditions which surprise and shock the public, laws will be passed, practically without opposition, providing for Minimum Wage boards, who will fix wages by arbitration proceedings. The third step will follow on the general public satisfaction with the working of such laws. It will mean, as in Victoria, Australia, and to some extent in Britain, the extended application of the law to most of the trades in the country. And thus there will be a state guarantee of that precious asset of any people, a decent standard of living.

## A Nation of Wasters

The necessity for preparation to meet the commercial conditions that will prevail after the war was urged by Secretary of Commerce William C. Redfield in an address he delivered before the Philadelphia Chamber of Commerce. What Mr. Redfield said of the U. S. applies equally to Canada. Mr. Redfield said in part:

"We are the wasters of the world. It would not be untruthful to take the initials I. W. W., with which we are familiar, and attach them to ourselves as meaning the Industrial Wasters of the World. We like to be lavish.

### Waste a Costly Factor.

"This wastefulness is one of our great industrial weaknesses. We cannot compete and we ought not to expect to compete with a nation like France or Germany so long as we are wasteful and they are thrifty. We usually ignore science in industry, and are apt to talk about a practical man as better than a scientific one. Meanwhile Germany builds up great industries, wholly based on scientific research, and England organizes a special Government Committee on Industrial Research. Industry must be wedded to science in this country if it is to compete with nations where science and industry go hand in hand.

"We usually are ignorant of what the goods we produce cost us to make. Repeatedly the field force of our Department have been asked to stay and tell the manufacturers of whom they were inquiring how to ascertain their own costs. The Federal Trade Commission is authority for the statement that the general ignorance on this subject is lamentable. We be almost incredible if it were not demonstrable. We have almost lacked industrial education. It is not so in Germany. Make no mistake, it is not the wages of the German workman which make it hard to compete with him. It is his training.

"We are making a beginning in Federal aid to industrial education. It should have been done long ago. Sometimes I think we have a gift of ignoring the important and neglecting the obvious.

"It is, I think, the fact that it costs more to take a barrel from the warehouse to the railway in Philadelphia than it does to transport it from Philadelphia

to Chicago. It would be thought ridiculous to split the Pennsylvania railroad up into pieces of 100 miles, but precisely that is what is done with the goods when we get them by rail to Philadelphia or to New York. I rather more than suspect the cartage bill of the country is five, perhaps ten, times as great as the freight bill.

### How to Reduce Losses.

"Preliminary inquiry now making into the subject in the Census Bureau develops the fact that in the delivery of ice the cost of a single cartage equals 45 per cent of the price of the goods; that in coal it equals 19 per cent; in milk 12 per cent. What is possible in the way of correction? Many things. Good pavements kept in good order. Automobile trucks carrying the longest practicable distance without breaking bulk. Co-operative carting so that each store in the town is not duplicating the work of every other. The advertising value of an individual delivery system is trivial when compared to the saving from co-operation.

"We use a weights and measures system that is antiquated. It takes four pages of an official publication to describe the various kinds of bushels that exist in America. Your own Mint buys all its supplies and common metals by one kind of weights and measures, its precious metals by another, and does all its laboratory work by a third. No sane nation would ever adopt the crude and clumsy system we continue to use. The metric system adopted by thirty-four nations is simpler, easier, more effective and more widely used than any other. It has made its way by its merits.

"Finally, here are six definite things to be done: stop waste, make industry the close friend and ally of science, educate our boys and girls for their work, learn costs and causes of costs, study and control the serious expenses involved in distribution, and get a weights and measures system that is up-to-date. With these things done we need fear the competition of no man.

"I have said nothing about labor readjustments, if these shall come it ought to be remembered that what we need is not a low rate of wages but a low cost of production. The low wage does not always

# The Munition Credits and Increase of Bank Deposits

By H. M. P. ECKHARDT.

At the annual meeting of the Bank of Toronto stockholders, in Toronto on January 10th, the general manager drew attention to the fact that a considerable portion of the increase of deposits during the fiscal year had been absorbed by means of the bank's purchases of high-class securities, especially the British treasury bills acquired in connection with the loans to the Imperial Munitions Board. And at the Commerce and other recent bank meetings special references have been made to the large amounts advanced for the purpose of facilitating British purchases of war material in the Dominion. It is doubtful if the general public realizes the extent to which the munition loans have taken up the gains in deposits. The credits to the Munitions Board are reported in the monthly bank return under the heading "Canadian municipal securities, and British, foreign and colonial public securities other than Canadian." The aggregate of bank holdings of these securities as at March 31st, 1916, was \$44,384,000. The special munition loans to Britain commenced on April 1st; and since that date the holdings of securities under the above-mentioned heading have steadily increased. On November 30, 1916, the total was \$165,470,000, the increase for the eight months being \$121,086,000.

With reference to this increase, it is to be remembered that there would be a certain amount of buying and selling of Canadian municipal bonds during the period, and such transactions also would appear under the same heading. However these would represent a minor factor—it being well-known that the munition credits were mainly responsible for the changes. In the cases of individual banks it might happen that municipal bonds were sold to provide funds for lending to the Munitions Board; and in that case the increase of securities as reported in the bank statement would not reflect the full amount of British treasury bills acquired. In the following table the increase of these securities is shown for each bank, along with the increase of deposits effected during the same period:

Canadian Municipal and British, etc., Securities.  
(000's omitted.)

| Bank.          | Increase deposits |                | Mar. 31 to     |                |
|----------------|-------------------|----------------|----------------|----------------|
|                | Mar. 31, 1916.    | Nov. 30, 1916. | Nov. 30, 1916. | Nov. 30, 1916. |
| Montreal .. .  | \$ 4,422          | \$ 22,272      | \$ 17,850      | \$ 25,706      |
| Quebec .. .    | 379               | 1,873          | 1,494          | 925            |
| Nova Scotia..  | 3,292             | 10,514         | 7,222          | 6,132          |
| British .. .   | 6,532             | 11,368         | 4,836          | 3,776          |
| Toronto .. .   | 1,600             | 5,757          | 4,157          | 6,399          |
| Molsons .. .   | 2,033             | 6,457          | 4,424          | 3,959          |
| Nationale .. . | 1,378             | 1,378          | .....          | 3,337          |
| Merchants' ..  | 2,625             | 10,563         | 7,938          | 10,169         |
| Provinciale .. | 1,418             | 2,114          | 696            | 2,221          |
| Union .. .     | 391               | 14,445         | 14,054         | 21,960         |
| Commerce .. .  | 1,574             | 17,282         | 15,708         | 26,125         |
| Royal .. .     | 3,232             | 14,012         | 10,780         | 18,521         |
| Dominion .. .  | 1,172             | 7,415          | 6,243          | 7,242          |
| Hamilton .. .  | 3,317             | 6,635          | 3,318          | 7,392          |
| Standard .. .  | 1,330             | 5,351          | 4,021          | 4,785          |
| Hochelaga .. . | 1,630             | 3,677          | 2,047          | 5,327          |
| Ottawa .. .    | 5,139             | 10,226         | 5,087          | 2,737          |
| Imperial .. .  | 1,048             | 7,715          | 6,667          | 2,044          |
| Home .. .      | 30                | 2,120          | 2,090          | 1,492          |
| Northern Crown | 204               | 1,671          | 1,467          | 5,735          |
| Sterling .. .  | 1,617             | 2,336          | 719            | 1,374          |
| Weyburn .. .   | 9                 | 278            | 269            | 1,168          |

\$44,384 \$165,470 \$121,086 \$168,536

Roughly three-quarters of the new deposits acquired, went into the securities as above classified. It is understood that at the end of November the banks had advanced \$100,000,000 to the Imperial Munitions Board, so the additional \$21,086,000 shown in the table may have represented the net increase of holdings of Canadian municipal bonds. The \$100,000,000 here referred to would be apart from the credits granted direct to the manufacturing concerns to enable them to work up their contracts. There are 600 manufacturing concerns in all parts of Canada engaged in this war work. If it be assumed that they are working on bank credits averaging \$40,000 per company, the conclusion is that the banks have something like \$24,000,000 outstand-

ing in the form of credits granted directly to their customers, large and small, who are engaged in making shells and other material for prosecuting the war. So, altogether, it appears that the munition credits have absorbed fully three-quarters of the increase of deposits. All who understand banking and finance are well aware that the remaining one-quarter should be reserved in the form of immediately available assets. As regards the question of cash reserves, it is worthy of remark that the securities acquired from the Imperial Munitions Board—British treasury bills—normally constitute a liquid reserve of the highest character; and even under war conditions the \$100,000,000 of treasury bills owned by the Canadian banks have considerable value as an immediately available reserve against emergencies. There is, for example, the standing offer of the Finance Minister to make advances in the form of Dominion notes to any Canadian bank wishing to pledge its holdings of British treasury bills for that purpose. In an emergency this offer could be availed of, and while the Dominion notes would not be suitable for settling debts abroad, they would suffice for domestic settlements. However, it is not likely that the banks will take action leading to a further large increase in the issues of inconvertible legal tender currency unless the emergency is grave. A further large expansion of the uncovered note issues of the Dominion would have a decided tendency to derange the currency system, and to demoralize the exchange with the United States.

In the foregoing paragraphs it has been remarked that practically three-quarters of the gains in deposits were absorbed by munition loans—the inference being that the banks received so much new money on deposit and immediately proceeded to lend 75 per cent. of it to the munition makers and to the British Government. It is necessary to remember that to a certain extent the process would

be reversed, viz., the credits granted to the Munitions Board would create new deposits, and thus for the time being inflation would be in evidence.

Analysis of the deposit increases recorded in the table shows conclusively that a large share of the increase of deposits must be ascribed to the great wheat crop of Western Canada. Nearly all of the banks with large systems of branches in the Western provinces show exceptionally heavy gains in deposits. The Weyburn Security Bank's deposits increased 90 per cent. in the eight months; Northern Crown shows an increase of 50 per cent.; the Union Bank of Canada, an increase of 36 per cent.; Bank of Hamilton, 20 per cent.; Canadian Bank of Commerce, 16 per cent. All of these banks have a large proportion of their branches located in the agricultural districts of the west, and the conclusion is inevitable that these Western branches contributed most importantly to the increase of deposits which the banks have been able to show. Of course new deposits acquired through realization of agricultural products represent real money, and it cannot be said that they are the result of inflation of credits. It is worth noting, too, that the deposits created by the munition credits become real money, and all traces of inflation in connection therewith are removed when the loans which created the deposits are finally paid off.

When the chartered banks complete the additional loans to the Munitions Board, as arranged for 1917, it does not necessarily follow that their holdings of British treasury bills will be correspondingly increased. If the banks have been taking one-year bills are paid as they mature, the banks might add to run off on April 1st, 1917. Assuming that all bills are paid as they mature, the banks might advance \$100,000,000 new money to the Board in 1917, and at the end of the year their holdings of treasury bills would be the same as at present, namely, \$100,000,000. But if the bills have a longer currency than a year; or if they are required to take renewals of maturing bills, then the end of the year will probably see an increase in the holdings; and to effect this comfortably further steady increase in Canadian bank deposits will be urgently required. Here is where thrifty practice by individual Canadians will redound to the benefit of the Dominion.

## The World Wonder

Some Startling Facts and Figures.—Great Britain's Big Ordnance Base.  
—The Economic Struggle.—Germany on a 30% Basis

By C. W. BARRON, in the Boston News Bureau.

All the seven wonders of the world fade on history's page compared with the spectacle Great Britain presents today. A commercial nation of less than 50,000,000 people suddenly summoned to arms where no arms existed and in less than 30 months she has a bigger army than history ever before recorded and a war machine in Europe that for wealth of shell, explosives and war power is the amazement of the Germans, who had taken ten times thirty months to prepare for the attack.

But this is only the beginning of wonders.

### Both Air and Sea Command.

Without an English aeroplane engine that could circle her own Island she has vanquished the boasted Zeppelins and is mistress of her own skies. With submarines by the hundred threatening her coast defences, her food supplies, and her commerce she has swept all oceans, locked the vaunted German fleet in harbor, convoyed shipments of gold across the ocean in safety—loads of gold that in former times would have paralyzed national financial markets—made the English channel her multiple track ocean railway to Europe with no loss by Zeppelin or submarine; fought in Africa, at the Canal, at the Dardanelles; grappled with the Turk and the Bulgar; changed generals and admirals in command; changed cabinets; fed the armies of France; given arms to Russia; maintained the armies and the governments of Belgium and Serbia and altogether advanced to her war allies three thousand million dollars, or times the national debt of the United States.

### Still Supplying the World.

While the United States has been trying to find out how to build military rifles in quantities and has unfilled orders for them representing hundreds of millions of dollars, England has been turning out rifles by the million for herself and her allies, cannon by the thousand, boots and coats by the million for herself and her allies, and, wonder of wonders, she has done all this, is doing it, is yet to do more, and has

now her manufacturing, her trade relations and her overseas commerce unimpaired. Yet she has grabbed the trade of the world, so that her enemies are struggling on half rations; their food, rubber and metal supplies from the outside world practically cut off except as new territory is taken.

This is a gigantic physical power and a trade and war power combined never before dreamed of. It puts in the shade all that the world previously knew of Great Britain's financial power. Nobody dreamed two years ago that the war cost to Great Britain was to be beyond five or six billions. It is today three times that sum and Great Britain is prepared to double it again. But stupendous, and even beyond all previous estimates, as is this financial power, the physical and metal power manifested by Great Britain is the marvel of marvels.

The British Lion was regarded in Germany as a money bag of trade and a whelp of the seas. Great Britain's ability to put 10% of her population under arms, to feed and equip her allies and at the same time to maintain her credit and commerce throughout the world was something never dreamed of within or without her empire before this war.

### Uncounted Wealth and Unmeasured Spirit.

No economist ever counted the wealth in credit, gold reserves and securities power that is now showing forth in the British empire. No student of men and nations ever pictured forth the war spirit of the British people that could be so roused in a righteous cause. No student of religion or social order ever gauged the spirit of self sacrifice that is now lighting the path of the nation in war.

This is the people's war. It is the war of the democracy that has built the British empire around the globe. It is not a war of kings, lords or nobles. It is a war in defence of all the civilization, peace and honor for which England has stood and in which she has made progress for more than a hundred years. The Prussians could measurably measure the

wealth of England, count her population and take toll of her guns, big and little. They numbered her military men, her business men and her idle and leisure classes; and outside of her navy, her wealth and her trade she was by a Prussian military census as nothing. But nowhere in the world was there anything by which to measure the slumbering soul of that people. It is fighting mad today, and getting madder every minute. The stigmas and insults to credit and honor from Washington only increase the resolve of her people and their faith in the invincibility of their righteous cause. For this they are willing to pledge everything in sacrifice for justice upon the altar of their battle fires.

To what martyred souls runs back this heritage of noble spirit only the historian of the future may attempt to answer. The purpose of the present inquiry is to answer the problem of whence England gets her human power and her metal power.

#### The Ordnance Base.

Twenty-five years ago the machinery of England and her metal workers stamped out the coins of many nations and moulded the guns big and little of many more. She was the ordnance maker of the world. Then Germany became her rival as a metal worker and, getting government bounties, or orders, she was able with her cheaper labor and living to cut under the prices of free trade England. The ordnance fires of England went out except for navy guns and "made in Germany" invaded the Island and was stamped over the world on everything from cutlery to rifles and cannon.

But the foundations, in metal works and the old factories in this business, had not entirely disappeared when the Prussian hosts fired upon Belgium and attempted to roll up the treaties of Europe as scraps of paper. It was on this almost forgotten foundation that England has brought forth her wealth of war material and is organizing to roll the Prussian back over the Rhine in 1917.

England's reserve in man power that can maintain her commercial production, her exports and overseas trade while putting an army greater than that of France in the field needs to be carefully studied.

#### England Feeding and Fighting.

Germany is living on 30% per capita of what it was consuming before the war. But England is consuming, feeding and fighting to the extent that her physical force is increased by far more than 30%. The whole nation is fighting, men, women and children. There is nothing else thought of, talked of, or worked for, throughout the whole country. All the leisure classes men and women, are one way or another in the war. The women are joining in the ranks of labor and all labor is today for the country with everything in production, trade and commerce locked in with the war issue.

England did not waken to the war power that comes through cutting out luxuries so soon as Germany, but she is on the road to just as thorough a conservation of all forces. All the nations are in the struggle for economic existence that fighting forces may be increased. Germany and England are rather ashamed of it; Russia and France are proud of it. The shutting up of barrooms, the closing of places of amusement, the closing of cafes and the shutting off of lights at nine-thirty all make for increased man power and greater war efficiency. It is not only a financial and a metal, but a social and economical struggle in Europe such as the world has never dreamed of and of which the people of the United States have almost no comprehension.

#### The People and Their Resources.

Formerly, armies fought battles and the war was wherever the armies moved. Today, five-hundred million people are arrayed in battle and organizing to win a war. They are organizing in clothing, food, drink, the discarding of luxuries, increase in the energies and hours of labor and in the mutual burdens of all forms of taxation. Any excess profit is promptly taxed. In England more than two billion a year or one quarter the cost is being raised by taxation. Grains are being ground more coarsely with the result that in bulk they produce 25% more, a smaller percentage of nutriment is lost and, the food being richer in nutrition, consumption per capita is diminished without bread cards or other German regulations. In all fighting countries luxuries are being steadily diminished. Cream, fat, sugar, wines, expensive meats and fruits are being steadily reduced in consumption. Champagne is forbidden in Russia; it was never at so low a price in France.

The whole world is coming into a new civilization, a new manhood and a new womanhood and a new strength for both war and peace; and from Washington to San Francisco there appears to be little comprehension of the issues and the economic results that must inevitably flow therefrom.



### EIGHTY-FIFTH ANNUAL REPORT

## The Bank of Nova Scotia

Capital Paid-Up, \$6,500,000.

Reserve Fund, \$12,000,000.

#### PROFIT AND LOSS.

|  |                        |
|--|------------------------|
| Balance Dec. 31st, 1915  | \$ 396,114.99          |
| Net profits for year, losses by bad debts estimated and provided for | 1,252,038.96           |
|  | <b>\$ 1,648,153.95</b> |

|   |                        |
|---|------------------------|
| Dividends for year at 14%   | \$ 910,000.00          |
| War Tax on Circulation to December 30th, 1916                                     | 65,000.00              |
| Contributions to Canadian Patriotic, British Red Cross, and Sailor's Relief Funds | 38,500.00              |
| Contribution to Officers' Pension Fund  | 50,000.00              |
| Balance carried forward December 30th, 1916                                       | 584,653.95             |
|   | <b>\$ 1,648,153.95</b> |

#### RESERVE FUND.

|                                     |                        |
|-------------------------------------|------------------------|
| Balance December 21st, 1915         | \$12,000,000.00        |
| Balance forward December 30th, 1916 | <b>\$12,000,000.00</b> |

#### GENERAL STATEMENT AS AT DECEMBER 30th, 1916.

| LIABILITIES.  |                         |
|---|-------------------------|
| Capital Stock paid in   | \$ 6,500,000.00         |
| Reserve Fund  | 12,000,000.00           |
| Balance of Profits, as per Profit and Loss Account  | 584,653.95              |
| Dividends declared and unpaid   | 328,399.50              |
|   | <b>\$19,312,953.45</b>  |
| Notes of the Bank in circulation  | 7,945,081.48            |
| Deposits not bearing interest   | \$21,278,801.64         |
| Deposits bearing interest, including interest accrued to date   | 66,546,078.30           |
|   | <b>87,324,879.94</b>    |
| Balances due to other Banks in Canada   | 95,769,961.42           |
| Balances due to Banks and Banking Correspondents in the United Kingdom  | 201,904.12              |
| Balances due to Banks and Banking Correspondents elsewhere than in Canada and the United Kingdom                                  | 17,673.61               |
|   | <b>759,246.33</b>       |
| Acceptances under Letters of Credit   | 96,748,785.48           |
|   | <b>559,888.39</b>       |
|   | <b>\$116,621,727.32</b> |
| ASSETS.   |                         |
| Current Coin  | \$ 7,187,031.00         |
| Dominion Notes  | 10,339,227.75           |
| Notes of other Banks  | 1,225,083.44            |
| Cheques on other Banks  | 5,420,061.87            |
| Balances due by Banks and Banking Correspondents in the United Kingdom and sterling exchange                                      | 3,556,069.50            |
| Balances due by Banks and Banking Correspondents elsewhere than in Canada and the United Kingdom                                  | 3,286,375.77            |
|   | <b>31,013,838.45</b>    |
| Deposits in the Central Gold Reserves   | 2,000,000.00            |
| Dominion and Provincial Government securities, not exceeding market value   | 3,110,743.20            |
| Canadian municipal securities and British, Foreign and Colonial public securities other than Canadian, not exceeding market value | 10,569,067.35           |
| Railway and other bonds, debentures and stocks, not exceeding market value  | 4,767,081.57            |
| Demand loans in Canada secured by grain and other staple commodities  | 7,793,853.21            |
| Call and demand loans elsewhere than in Canada  | 7,791,173.57            |
|   | <b>67,045,757.35</b>    |
| Call and demand loans in Canada secured by bonds, debentures and stocks   | 4,519,455.77            |
|   | <b>71,565,213.12</b>    |
| Deposit with the Minister of Finance for the purpose of the circulation fund  | 360,867.09              |
| Loans to governments and municipalities   | 163,543.41              |
| Other current loans and discounts in Canada (less rebate of interest)   | 34,930,637.41           |
| Other current loans and discounts elsewhere than in Canada (less rebate of interest)  | 5,909,211.01            |
| Liabilities of Customers under Letters of Credit, as per contra   | 559,888.39              |
| Overdue debts, estimated loss provided for  | 103,089.44              |
| Bank Premises at not more than cost, less amounts written off   | 2,637,306.66            |
| Real Estate other than Bank Premises  | 326,250.00              |
| Other assets not included in the foregoing  | 65,720.79               |
|   | <b>\$116,621,727.32</b> |

CHARLES ARCHIBALD,

Vice-President.

H. A. RICHARDSON,

General Manager.

#### AUDITORS' CERTIFICATE.

We have examined the books and accounts of The Bank of Nova Scotia at its Chief office and have been furnished with certified returns from the Branches, and we find that the above statement of Liabilities and Assets at December 30th, 1916, is in accordance therewith. The Bank's investments and the securities and cash on hand at the Chief office and at several of the principal Branches of the Bank were verified by us as at the close of business December 30th, 1916, and in addition we visited the Chief office and certain Branches during the year, when we checked the cash and verified the securities and found them to be in agreement with the books. We have obtained all information and explanations required, and all transactions of the Bank which have come under our notice have, in our opinion, been within the powers of the Bank. And we certify that the above statement of Liabilities and Assets as at December 30th, 1916, is properly drawn up so as to exhibit a true and correct view of the state of the Bank's affairs according to the best of our information and the explanations given to us, and as shown by the books of the Bank.

A. B. BRODIE, C.A.

D. McK. McCLELLAND, C.A.

of the firm of Price, Waterhouse & Co.  
Auditors.

Toronto, Canada, 13th January, 1917.

# Business and Banking in the United States

Weekly Review by ELMER H. YOUNGMAN, Editor  
Bankers' Magazine.

(Special Correspondence of The Journal of Commerce).

New York, Jan. 20, 1917.

With a Treasury deficit for the current fiscal year already approximating \$150,000,000, and with expenditures mounting rapidly, new forms of taxation are being sought. The application of Colbert's maxim, to get as many feathers from the goose with as little pain as possible, grows increasingly difficult. Taxpayers are already seriously complaining, not so much because of the money burden of the various new forms of taxation, but because of the petty annoyances they inflict.

One of the latest proposals is a tax on the profits of corporations and partnerships in excess of eight per cent., and to a total of \$5,000 or more. The methods of computing the basis for some of the new taxes are in the hands of officials who do not themselves agree in all cases, and the difficulty which business experiences in accommodating itself to the fresh imposts is real and serious.

Government shipbuilding, a nitrate plant, and the purchase price of the Danish West Indies, the latter one amounting to \$25,000,000, are some of the items that go to increase the large outlay in addition to the sums now needed to carry out the new naval and military programme.

The Federal Reserve Act offered to American banks the opportunity of going into the field of foreign banking, a privilege of which they have been slow to avail themselves, since only one or two banks have established foreign branches under the terms of the new law. The majority of the existing National banks either felt themselves imperfectly equipped for venturing into the foreign field, or did not deem their capital large enough to take on the added responsibility which such expansion would entail. To remedy this timidity, Congress amended the law by permitting the present National banks to subscribe to the stock of a bank specifically organized for establishing branches in foreign countries. Although several months have elapsed since the amendment in question was passed, no advantage has as yet been taken of it. The fact is, despite all the addresses, essays and articles about expanding American trade and finance in foreign lands, the National disposition is toward inertia. American banking especially is so occupied with problems at home, and is in general so well satisfied with present profits, that there is slight tendency to incur the risks and uncertainties which foreign banking entails.

## Contract Goes to England.

Much perturbation has been caused by the diversion of contracts for naval shells, amounting to some \$3,000,000, from American to British manufacturers. The contract was for sixteen inch shells for the American Navy, and considerable surprise has been expressed that under war conditions a British establishment could outbid the Americans. The home manufacturing concern showed so much solicitude in the matter as to publish an advertisement in the newspapers setting forth that the bids for the sixteen-inch shells was based upon experience in making fourteen-inch projectiles. It was stated in the advertisement referred to that the concern in question had expended upon the latter some \$252,000, and had not received anything in return on the contracts, besides being subject to a contingent liability of some \$678,000 more. Reference was also made to the severity of the Government's tests for these projectiles.

Possibly, as the present Administration does not look with favor upon a protective tariff, it may feel a little quiet satisfaction in seeing an industry heretofore well protected showing an inability to compete with a like industry in a free-trade country. Probably, if all the facts were known, special circumstances were influential on both sides in causing this contract to go across the water.

In the value of crops produced on the farms, last year established a new high record. This was not due to the fact that the crops were larger than usual, for generally the year was one of low crop production, but it was due to an advance in prices. The level of prices paid to producers for the principal crops, December 1, 1916, was about 55.9 per cent. higher than two years before, and 52.8 per cent. higher than the average of the previous eight years, on December 1. The gross value of last year's farm crops was \$13,449,000,000, exceeding by \$2,674,000,000 the previous record of 1915. Four crops ex-

ceeded one billion in value last year. They were corn, cotton, wheat and hay.

An extraordinary demand for farm products at exceptionally high prices does not seem to have been a sufficient incentive to add to the output. This can not be done hurriedly merely by enlarging the acreage, since unfavorable weather conditions may defeat this effort. But if prices continue at anything like the present level for any length of time, fertilization and better means of cultivation as well as an enlarged acreage may be expected to swell the output. That the resources of the soil are being exploited at present to the full capacity or anything like it no one acquainted with these resources seriously contends. Present conditions point to prosperity for the farmers of the country for a long time to come.

## New Loan to Great Britain.

That the ruling made some time ago by the Federal Reserve Board regarding the purchase by the banks of foreign Treasury bills was not, as some inferred, antagonistic to foreign loans in general is a fact well established by the success of the new loan of \$250,000,000 to the United Kingdom. This loan and the purchase of \$15,000,000 of notes of the Central Argentine Railway representing the only foreign financing here since the ruling of the Reserve Board mentioned above.

This latest British loan, as in the case of the one for \$250,000,000 on September 16, 1916, and that of November 16, 1916, for \$300,000,000, is protected by collateral deposited in New York. The propriety of such requirement has been much discussed here, and leading American bankers have not hesitated in declaring that collateral is unnecessary and ought not, as a matter of international courtesy, to be asked. The other view is that the requiring of collateral is by no means a reflection on either the credit or good faith of Great Britain, but that it greatly facilitates the placing of loans here to almost any extent, and makes sure the success of these flotations. Under the remarkable conditions prevailing abroad, and the comparative inexperience of the majority of American bankers in handling foreign loans, the absence of collateral even in the case of a nation with the exceptional credit of the United Kingdom, might seriously restrict the placing of the large loans required. Whether this condition is justified or not, the practical view of the matter is that the success of the loan must be assured, and this the great store of saved capital possessed by the United Kingdom renders possible, though not without more inconvenience than would attach to the placing of a loan based upon credit only.

## Railroads Catching Up.

For some months there has been a serious lack of railway freight cars. On November 1st, there was a net shortage of 114,908 cars, of 107,778 on December 1st, and 59,892 on January 1st. These figures are a reversal of conditions prevailing for several years. For the whole period of nearly nine years preceding August, 1916, there was a continuous net surplus of cars, except for a few short intervals. The ability of the railways to come closer to meeting the requirements for cars is partly explained by greater activity in car building. The orders received by builders for domestic uses were 170,000 in 1916, compared with 96,000 in 1915. It will thus be seen that there is a tendency on the part of the roads to make provision for the great increase of business. Notwithstanding the fact that the railways are slowly catching up with the demand for shipping facilities, the movement of goods in some lines is still slow—a condition due not solely to lack of cars, but aggravated by terminal congestion.

The preponderance occupied by Europe in the foreign trade of the United States is strikingly shown in some recent official figures giving imports and exports by grand divisions of the world for the eleven months ended with November last. Out of a total export trade in this period of \$4,960,302,630, Europe took \$3,464,518,743, or approximately 70 per cent. of the total. Of this amount the United Kingdom alone took goods to the value of \$1,702,906,305.

Although special efforts have been made to promote trade with South America, the exports to that part of the world amounted to but \$197,501,248. Against this Canada alone took goods from the United States in the eleven months ending with November, 1916, to the value of \$545,422,347. This is

not only three times the exports to South America, but exceeds the combined exports to that part of the world and to Asia. In the matter of imports the preponderance of Europe is less marked, the imports from Europe being \$574,212,649, and from North America \$610,770,195, Canada furnishing \$213,514,062.

Surplus reserves continue to accumulate in the New York banks. The excess of reserves on January 20th was \$202,472,630, compared with \$181,438,620 on January 13th, and \$140,441,440 on January 6th. Recent increases in the surplus of reserve are without precedent, and indicate that the New York banks are well supplied with funds to care for such additional foreign credits as may be required in the near future. Of the total reserve held by the New York Clearing House banks on January 20, \$490,062,000 was in specie.

It is notable that in a recent six weeks the surplus reserves of the banks increased by \$140,400,000. The large reserves in the banks and the existence of other conditions tending toward monetary ease have stimulated the demand for high-grade investment securities, facilitating the placing of the new British loan and other important financing.

It would seem that there is ground for believing that the Federal Reserve Act is cutting down to some extent the deposits of the National banks of New York. Official statements as made to the Comptroller of the Currency show that the deposits of these institutions on December 27th, last, were \$203,408,300 less than on November 17, and \$26,729,700 less than on December 31, 1915. There are so many influences causing large fluctuations in the deposits of the New York banks that it is difficult to trace the decline solely to the operations of the new banking law. Nevertheless, it is believed that it has been a factor tending to reduce deposits particularly of out-of-town banks. Under the new law these banks have been gradually withdrawing their reserve balances in New York and placing them in the Federal Reserve banks of their respective districts. By next November all the reserves will be thus withdrawn. Of course, exchange and other requirements will necessitate in keeping of large balances in New York by the so-called "country" banks, and those located in what have heretofore been called "reserve" cities, but the large reserves formerly piled up in New York will now go to the Federal Reserve banks.

Two or three bank failures occurring recently in one of the Southern States have been received with considerable surprise, as they came at a time when bank failures have been so infrequent as to cause an event of this kind to be a decided novelty. A compilation recently made by "Bradstreet's" shows that the number of bank suspensions in 1916 was forty-one, the smallest with three exceptions in twenty-four years, while the liabilities—\$5,980,798—were the lightest of which there is record during that period. Of the banks suspending last year, four were National institutions, three were loan and trust companies, one was a savings bank, twenty were State banks, and thirteen were private banks. Small as is this bank mortality comparatively, it must still seem large to countries where bank failures are even more rare.

Criticising one of the most recent bank failures, the Comptroller of the Currency declared that it was due to the large number of directors "who rarely attended a bank meeting, and permitted the bank to be dominated and run principally by unfit officers and a few directors, who were big borrowers of the bank, and who otherwise seriously neglected their duties and ignored their responsibilities as directors."

As the compilation made by "Bradstreet's" shows, the character of American bank management is improving. With nearly 30,000 banks independently owned and managed, the wonder is that bank failures are not more common than they are.

The recessions in trade which many expected to follow soon after the holidays have not yet arrived. Bank clearings for the week ending January 20th were slightly below the preceding week, but represent an advance of 35.6 per cent. compared with the same week last year, and of 94.6 per cent., compared with 1915. From practically all sections come almost uniform reports of exceptional activity. The stock market, which a few weeks ago recorded vic-

(Concluded on Page 6.)

# The Week's News

January 14.

The British repulsed raiders on the western front. The Teutonic allies made further progress against the Russians along the Sereth southwest of Galatz, capturing the village of Kotumikhali and also the town of Vadni. Austro-Germans were repulsed at various points in Rumania. On the northern end of the Russian front, in the vicinity of Riga, the Germans delivered a heavy attack against the Russians east of Kalnzem, but were repulsed.

The capture of two enemy submarines is reported by the Italian War Office.

A Swedish steamer was stopped in the North Sea by a German submarine and compelled to throw in to the sea all the mail from Entente countries, consisting of 700 sacks.

A large party of returned soldiers and officers arrived at St. John, N.B., from England.

The battle-cruiser, Tsukuba, 13,750 tons displacement, was sunk in the harbor at Yokosuka by the explosion of her magazine. The explosion was caused by a fire.

The thermometer at the experimental farm at Brandon reported 52 below zero.

The Co-operative Wholesale Societies of Manchester (England) and Scotland, have bought two thousand acres of wheat land in Canada.

The U. S. cruiser Milwaukee, costing approximately \$4,000,000, went ashore near Eureka, Cal.

Four school children were found frozen to death near Cadillac, Saskatchewan.

January 15.

The British, continuing their advance in Mesopotamia, captured a town on the Shatt-el-Hai River, and the Tigris, except for a small strip northeast of Kut-el-Amara, has been cleared of the Turks. With this exception Rumania is still the chief centre of military activity. The Teutons were violently thrown back by the Rumanians on the Kasino River. The Teutonic allies report that they are in full control of Vadeni, six miles southwest of Galatz, Rumania. There have been several encounters between the French and Austro-Germans in Macedonia, on the western wing, south of Lake Ochrida. On the eastern shore of Lake Malik the French advanced near Zveda. To the east along the Doiran front, the British raided the village of Rkinjali and also bombarded the town of Neochari from both land and sea.

The sinking of the Austrian passenger steamship Zagreb, 537 tons gross, by a submarine in the Adriatic, is reported.

Dr. Karl Liebknecht, the German Socialist leader, received an additional sentence of four and one-half years at hard labor and expulsion from the Berlin Bar.

January 16.

Except in Rumania, quiet continues to prevail on all the fighting fronts. Hard fighting continues in the region of Vadeni, southwest of Galatz, in the Rumanian theatre. The Russians on both sides of Fundeni delivered attacks against the German line.

In response to the request of Pope Benedict that the German military authorities permit restoration of the Cathedral of Rheims, Emperor William has expressed readiness to co-operate in this project.

The Prussian Diet opened in Berlin with a speech by the President of the Chamber, who expressed the hope that the New Year would bring peace.

At the opening of the Riksdag, reference was made by King Gustave to food difficulties arising from hindrances placed on Swedish imports by the belligerent powers.

Another island in the Aegean Sea has been occupied by the Allies.

The United States Labor people discussed the advisability of organizing daily newspapers under their control.

Damage to the amount of \$15,000 was done by a fire which destroyed the lighting plant as well as several business premises in the village of Athens, one of the thriving centres in Leeds country.

The Ontario Cabinet has decided that the Legislature will open on Tuesday, February 13.

Wm. de Morgan, an English novelist of wide popularity, is dead.

Labor representatives asked Premier Borden and his colleagues for certain reforms.

A national movement to raise \$20,000 for a monu-

ment to Edith Cavell has been started at Ottawa.

A Waterloo township farmer, L. Schilling, was fined \$20 and costs for offering stale eggs on the market in Kitchener.

Rev. John McDougall, the well-known pioneer Methodist missionary, traveller, author and Indian fighter in Western Canada, died at Calgary after four weeks' illness.

The western coal operators have told the Dominion Government that if it desires to take over and operate the mines till the end of the war it will have their hearty co-operation.

Sir Wilfrid Laurier has been informed by Sir Cecil Spring-Rice, British Ambassador at Washington, that Hon. Dr. Beland is about to be released, and that Great Britain and Germany are about to arrange to release all interned persons in both countries who are more than forty-five years of age.

January 17.

Northeast of Cite Calonne the Canadians carried out a raid of German trenches on a front of seven hundred yards, and penetrated the positions to a depth of 300 yards to the German second line. At Beaucourt-sur-Ancre a drive by the British gave them German positions over a front of 600 yards. The Russians, in a vigorous attack, have recaptured the village of Vadeni, six miles southwest of the important Danubian town of Galatz. Berlin reports that near Smorgon, which lies on the railroad between the Vilna and Minsk, the Russians, after very heavy artillery preparation attacked and penetrated the German lines on a narrow front, but later were driven out.

Admiral Dewey died at his home in Washington at the age of eighty.

Mr. A. J. Balfour sends footnote, to Allies' Reply, to President Wilson.

The Vatican answered the German note of December 12.

The definite announcement that the Greek Government had accepted in their entirety the demands of the Allies was received in London in a cablegram from Sir F. E. H. Elliott, British Minister at Athens.

A German raider for the past month has been sinking vessels of the Entente Allied powers in the South Atlantic.

France's protectorate over Morocco is recognized by the United States in a note handed Ambassador Jusserand by Secretary of State Lansing.

January 18.

The advance of the Teutonic allies in Rumania has been stopped. The Russians shelled the town of Tulcha and Isakcha, across the Danube, in Dobrudja. On the Russian front and in Galicia there has been violent artillery activity, and minor fights between raiding parties at isolated points. The British in France further extended their gains near Beaucourt-sur-Ancre.

The Senate and the House of Commons assembled at Ottawa in the sixth regular session of Canada's twelfth Parliament.

The total recruits in Canada since the outbreak of war now number 387,409, there having been 2,536 enlisted in the first half of this month.

A deputation of physicians presented to the Commission of Conservation at Ottawa startling facts and statistics regarding the prevalence of syphilis.

Arrangements have been made with Spain for representation of Canadian interests in Barcelona.

Lieut.-Col. John Stanfield, M.P., has resigned his position as Chief Conservative Whip in the Commons.

Hon. E. N. Rhodes, former Deputy Speaker, was unanimously chosen Speaker of the House of Commons at its first session.

The Earl of Elgin, former Viceroy of India, died in England.

William Livingstone of Detroit, was again chosen President of the Lake Carriers' Association.

January 19.

Austro-German guns have been shelling Cona, a railroad town in the Trotus Valley. On the western front there have been several small patrol engagements along the British portion of the line. On

the remainder of the fronts the opposing artillery wings continue to hammer hostile trenches. Near Zborow, in Galicia, an Austro-German raid was frustrated by the Russians, who drove the invaders out after they had entered some trenches. The Russians captured two small posts. An Austrian offensive near Oppachiasella, south of Gorizia, on the Carso, failed under Italian artillery fire.

The Minister of Munitions, in London, England, announces that an explosion occurred at a munitions factory in the neighborhood of London.

One thousand Americans, mostly naturalized Syrians and Armenians, will be taken on board the American cruiser Des Moines at Beirut for transportation to the United States.

Oliver Wilcox has given notice of an amendment to the Criminal Code designed to stop the menace of steadily increasing numbers of race tracks in Canada.

The idea of a meatless day for England has been abandoned for the present.

The Duke of Devonshire officiated for the first time at the opening of Canada's Parliament.

Home service regiments are to raise reinforcing drafts for overseas service.

The contractor of the Lasalle bridge withdraws from his contract.

The opening of the Duma has been delayed owing to Ministerial troubles.

A plan for temporary diversion of Niagara River water for power was authorized at Washington.

January 20.

In the capture of Nanesti, on the Sereth River, in Rumania, hard fighting took place in the streets. In withdrawing from the village the Germans claim the Russians suffered heavy losses. On the line in France near Loos, the British, in a daylight raid, blew up German dugouts. The artillery duels have again become violent in the Verdun sector. Several successful raids were carried out by the British and French during the week-end, while a German attempt was easily repulsed.

January 21.

The Prussian commerce raider, believed to be the Vineta, has been sunk by the British cruiser Glasgow, 130 miles off Para.

The introduction of sugar cards has been definitely decided upon in France.

Eleven thousand people have died of hunger in the Mt. Lebanon district in Syria, at Beirut.

## TO DEVELOPE CANADA'S TRADE.

As part of the plan to develop direct trade between Canada and France after the war, two commercial trains are to be fitted out, one stocked with samples of Canadian products, to tour France, and the other to travel through Canada with French Chemins de Fer de l'Etat and the Chemins de Fer goods. Four of the French railway companies, the Paris-Lyon-Mediterranee, the Paris-Orleans, the du Midi, have agreed to grant free transportation of these Canadian products on their lines, while the Canadian Pacific and the Grand Trunk companies and probably the Canadian Northern would reciprocate by free transportation of French goods.

Free ocean carriage for the sample goods of both countries has also been promised by the Compagnie Generale Transatlantique.

The proposal, which has been submitted to the French Government, has been endorsed by L'Association d'Expansion Economique, a body composed of the presidents of the various French Chambers of Commerce, which has undertaken to carry it out.

The first display of Canadian products is proposed to be made at the Lyons Fair in March next, and this will be followed by a similar display at the Paris Fair in May.

## BUSINESS AND BANKING IN THE UNITED STATES.

(Concluded from Page 7.)

lent declines, has become firmer, and the prospects in general are for a continuance of prosperity. In the steel trade a new high record has been made for unfilled orders booked in advance, and the outlook for a season of heavy construction work is good. It was pointed out lately by the President of the United States Steel Corporation that perhaps only twenty-five per cent. of the steel exports was in the shape of munitions, so that the closing of the war would probably affect steel exportations much less than many have supposed.

## Mentioned in Despatches . . . . .

Edmund Schulthess, the new president of Switzerland, has a big job on his hands trying to keep neutral when surrounded with three big warring nations. Switzerland is the most democratic country in the world, and the new president of the little republic shares the simplicity of his people. The salary is only about \$3,000 a year, so that a man cannot have much of a blow-out on that princely stipend.

Capt. B. C. Freyberg, D.S.O., who has been awarded the Victoria Cross, certainly deserved this decoration. In a charge on the enemy's trenches he led a battalion through the front line trenches, then when they were disorganized by mist and heavy gunfire he rallied and reformed them and took the second line of German trenches, although he had been severely wounded in the advance. Capturing the first line he again reformed his men and held the advanced trench all day, although a third wound was received while holding the line. The English press are very warm in their praise of this man who, in addition to winning the Victoria Cross, has been made temporary lieutenant-colonel. Freyberg is connected with the Royal West Surrey Regiment.

Arthur Ponsonby, Member of Parliament for Stirling Burghs, has been asked to resign by his constituents owing to his views on peace. Ponsonby as a boy was page of honour to Queen Victoria, and after being educated at Eton and Oxford, entered the diplomatic service. He was stationed at Constantinople and at Copeuhagen, and then entered the Foreign Office, eventually becoming private secretary to the late Sir Henry Campbell-Bannerman. Since that time he has developed a sort of revolutionary streak, and a few years ago published a book known as "The Decline of the Aristocracy," and still later another book known as "Diplomacy and Democracy." Ponsonby has now started his propaganda for peace, but the movement is decidedly unpopular, and he is in danger of losing his seat as a result of his latest fad.

A short time ago Lloyd George declared that liquor was a greater enemy to England than Germany, and it is expected that one of the big problems he will grapple with, as Premier, will be the abolition or the control of the liquor traffic. To show how strongly entrenched are the liquor interests, in Parliament, it is only necessary to point out that the Duke of Leeds, a Member of the House of Lords, is the active head of the largest gin distillery in England. Ale has its representative in Lord Hindlip, and in the Baron of Burton. Stout is represented by Lord Iveagh, while Scotch whiskey distilling firm of John Dewar & Sons. He has its mouthpiece in Sir John Dewar, head of the firm, who has recently been made a peer, and will take his seat in the House of Lords.

Admiral Dewey, the well known American naval officer, died last week in Washington in his eightieth year. Dewey became the hero of the American people after the Battle of Manila Bay, when he annihilated the Spanish Fleet stationed there. The fact that the Spanish ships were a lot of old tubs did not lessen the appreciation of his fellow countrymen, who presented him with a home in Washington and showered honours upon him. Dewey was born in Vermont and educated at the United States Naval Academy. As a young man he took part in the naval fights connected with the Civil War, and later saw service on board American ships in all parts of the world. Since his retirement from active service in 1900 he has been head of the United States Naval Board. Dewey never tired of telling of the co-operation and support he received from the British naval commander at Manila when the Germans threatened to take sides with Spain and blow Dewey out of the water. The Germans had a stronger fleet there than Dewey possessed, and the latter was very much afraid of the outcome when the British, learning of the situation, weighed anchor and moved their ships in a direct line between the Germans and Americans. A shot then fired at the Americans would have brought the British into action. The German commander, seeing the attitude of the British, withdrew, and Dewey was allowed to attack the Spaniards.

Senator T. O. Davis, from Saskatchewan, who is seriously ill, is known as the whirlwind orator. Although born in Quebec Province, the Senator is descended from Irish parentage. He was educated at Trinity College, Dublin, of which his father was a distinguished graduate, but ever since 1874 he has been in business in the West. He sat in the House of Commons for eight years, being called to the Senate in 1904. He is thoroughly well informed on Western conditions, and is one of the most active members of the Upper House. Senator Davis is sixty-one years of age.

Dr. W. B. Geikie, founder of Trinity Medical College, Toronto, and for thirty years connected with its management, has died in his eighty-seventh year. Dr. Geikie was born in Edinburgh, Scotland, but came to Canada as a lad and studied medicine. Under his management Trinity Medical College made a big name for itself, but the competition of the University of Toronto Medical School eventually proved too much for it, and Trinity was absorbed a few years ago. Dr. Geikie was prominently connected with the Toronto Hospitals, and in Ontario especially his name occupies a big place in the medical world.

Gen. Nivelle, who has succeeded Joffre as commander of the Allied Armies in France, is extremely popular with the English. The reason for this is not hard to find, as Nivelle is half English, his mother being a Miss Sparrow, of Kentshire. Nivelle as a boy spent a good portion of his time in England, so that he is thoroughly English in his viewpoints and sympathies. The General's mother was studying French in Paris when she met young Nivelle, who was then a lieutenant in the army. They were married shortly afterwards, the husband dying some years ago as a colonel. Young Nivelle entered the army and made rapid progress, although he was only a lieutenant-colonel at the outbreak of hostilities. His appointment to the command will mean a very close and most harmonious working arrangement between the British and French armies in Paris.

Col. Norton Griffiths, member of the British Parliament and managing director of the Norton Griffiths Company, public works contractors, has immortalized himself by the work he did in Roumania. One of the objects of the German drive was to secure the Roumanian oil wells. Col. Griffiths was sent to Roumania to destroy the wells, and did this so effectively that it is said the Germans cannot secure a drop of oil until they can re-bore the wells and erect new machinery, and this will require several months of continuous work. Griffiths destroyed hundreds of millions worth of property, but it was better to do this than to allow the wells to fall into the hands of the Germans. Griffiths is an engineer, a soldier and a contractor. He served in the Matabele War, Rhodesia, and through the Boer War, where he was mentioned in despatches and won medals. For the last half dozen years he has been Conservative member of Parliament for Dednesbury.

Sir Henry Dalziel, who has purchased the Pall Mall Gazette of London, is a good example of the restraining influence of wealth on a man of socialistic tendencies. Dalziel has all his life been a newspaper man, and as owner of Reynolds' Weekly was the great exponent of labour and advanced socialism and, at times, even of republicanism, as he frequently attacked the Royal Family. A few years ago Dalziel was knighted, and immediately Reynolds' Weekly began to tone down. Later when he was made a Privy Councillor he became an almost enthusiastic supporter of the Royal Family. Through all his changes and movements Dalziel has remained the close friend and warm admirer of Lloyd George, and has purchased the Pall Mall Gazette in order that it might be the mouthpiece of the new Prime Minister. The Pall Mall Gazette is one of the most influential of the London evening newspapers, and as ad some of the most brilliant men of the present generation connected with it. Lord Morley was at one time its editor, then William T. Stead directed its destinies, and still later Lord Milner was its editor.

Newspaper men, in the Maritime Provinces especially, will be interested in the announcement that Lieut. Eric R. Dennis, of the Halifax Herald, and son of Senator Dennis, has been awarded the Military Cross. The young man in question was mentioned in despatches on a number of occasions, the last time being referred to as follows: "The conduct of this officer stands out above all others, and I cannot recommend him too highly." At the outbreak of war Lieut. Dennis was on the staff of the Halifax Herald, but at once offered himself for service overseas. He has done splendid work at the front, winning promotion and being recommended for the Military Cross three times within forty days.

Young Lord Torrington, who is reported as missing at sea, is one of the men who "came back" during the war. As a young man he started out in life under the most favourable auspices, being one of King Edward's favorite pages, and the possessor of family traditions and wealth. Later he was compelled to leave the army and denied the right to take his seat in the House of Lords owing to bankrupt proceedings. Shortly after the war broke out he enlisted as an ordinary trooper in the 19th Hussars, and so distinguished himself that he re-won his commission. He later transferred to the navy, and has been second in command of a mine sweeper. Lord Torrington is descended from Admiral John Byng, who was shot on the deck of his own flagship in 1757, because he had not performed his duty in connection with the relief of Minorca when it was besieged by the French Fleet.

If Lloyd George does not win this war it will not be through lack of organization. His tremendous organizing ability and driving force were evident in the munition work. Now he has secured two bustling men as his secretaries. One of these is Major Waldorf Astor, M.P., eldest son and heir of Baron Astor. He is a Conservative in politics, but that does not matter. Astor's job at present is the superintending of huts being built in the garden of No. 10 Downing Street, which will be used to house the staff of the Prime Minister. The other secretary is Philip Ker, chief editor of the Round Table. Astor represents the ultra Conservative wealthy class, but is taking hold of the job of building huts as if he were "to the manner born."

Despite the objections to titles made by Quakers, their numbers from time to time accept honours. The latest is the Rt. Hon. Joseph A. Pease, formerly Postmaster-General, who has been made a baron with the title of Lord Rotherham. The Pease family is one of the oldest and best known Quaker families in England, and has also extensive business relations on this side of the Atlantic. The father of the present peer was Gladstone's most intimate friend, and one of his strongest supporters, while the founder of the Pease family was known as the Father of Railroads, being the associate of George Stephenson in the construction of England's first railroad. Some dozen years ago the Pease firm failed, and created a world wide sensation, but since that time their financial position has been somewhat improved.

Two Canadians occupying widely separated fields of activity have just joined the "Great Majority." The Earl of Elgin and Kincardine, who has just died in London, was born in Montreal in 1849, while his father, the late Earl Elgin, was Governor-General. After a lengthy diplomatic career he went to India in 1894 as Viceroy. During his administration there were two frontier revolts, which necessitated the Tirah Expedition. Later he was chairman of a Royal Commission appointed to investigate the conduct of the war with the Boers in South Africa. From 1905-1908 he was Secretary of State in the Campbell-Bannerman ministry.

Philip Boileau, the well known portrait painter and magazine illustrator, who died in New York, was born in Quebec in 1863, the son of Baron Charles Boileau, the French Consul-General in Quebec City. The young man was educated in Milan, Italy; Paris, and London, England; and then went to the United States, where he made a big name for himself as a painter and illustrator. Readers of magazines are familiar with the "Peggy Head," and the "Boileau Girl," which he has used as types of American beauty.



## Public Opinion

### INVESTMENTS.

(Boston News Bureau).

The American markets have never really had a war boom. For the most part only accumulated earnings and profits from orders in hand have been added to stock market prices. Labor struggles, railroad rate agitations and false peace promises have all conspired to block speculators who would engineer war booms in the stock market.

The discriminating investor has now the opportunity which never occurs twice in a generation to make investments in some American railroads and some American industrial companies upon a basis that years hence will be looked back to as phenomenal.

There are two things to which the public should now be educated for individual and collective prosperity in the future and these are—light eating and heavy investing. Nobody seems to see it now but in the future food will be cheap and investments high. At present food is high and investments cheap.

Never in the history of the world has the wage earner had such opportunity to save and to invest. He has the double stimulus for himself and for his children.

### FIRE PREVENTION EDUCATION.

(The Baltimore News).

Fire prevention in public schools and fire prevention in homes are matters naturally of keen interest. In the first case the question is largely one of proper legislation regarding the construction and protection of school buildings; in the second case it is largely a matter of individual education. It is estimated that 60 per cent of fires occur in homes, though of course 60 per cent of the fire loss does not result therefrom.

Perhaps it is education which must be relied upon to furnish the chief weapon in the fight for fire prevention. Legislation is important; so is inspection of the construction and condition of buildings so that legislation may be backed up. But, speaking broadly, the co-operation of the individual, due to his "enlightened self-interest," is probably the essential factor in fire prevention as it is in the other activities of the Safety First federation.

### WHAT BRITAIN HAS DONE.

(London Chronicle).

Hear the words of Mr. Lloyd George on the new British army: "They have faced the greatest army in the world, the greatest army the world has ever seen, the best equipped and the best trained, and they have beaten them, beaten them, beaten them." The "flannelled fool at the wicket, and the muddled oaf at the goal," the "Essex yokel," and the "Kensington draper"—these have done this deed, these have won the day for Britain. And yet three years ago not only Germany, but many other nations, believed the British people had degenerated and were unworthy of their mighty traditions and glorious past.

### DIPLOMATIC PATENT MEDICINE.

(Chicago Tribune).

The proposal to form a League to Enforce Peace is a piece of the American habit of seeking something that cannot exist in reason, however much it seems reasonable to hope. It is patent medicine. We seek to avoid consequences in life by deluding ourselves as to the future.

### NO BEAUTY.

(Southern Lumberman).

Judging from his picture, the new Emperor of Austria looks like the little dark men who stand on the street corners in American cities and sell popcorn and candy.

### ADDRESS FOR A NEW NOTE.

(Wall Street Journal).

An expression from Villa as to just what he is fighting for would be appreciated by Washington.

### MAHAN VS. HINDENBURG.

(London Express).

The present war has been described as a fight between Mahan and Hindenburg. The Germans have endeavored to establish themselves as the dictators of Europe by means of a mighty and perfectly equipped army and a navy of considerable but not overwhelming power. Their hopes have been smashed by—we quote Admiral Mahan—"the unremitting daily silent pressure of naval force." It was the British Navy that saved France in August, 1914. It was the British Navy that has made it possible to train the new British Army in security and to transport it to the various seats of war. It is the British Navy whose strangle hold is gradually but surely destroying the enemy's economic life. Great battles may be won on land, but final triumph must be sought on the seas. Sea power is ours, unaffected by the pinpricks of the enemy, and, whatever the cost, we shall hold on to sea power for the sake of our race and the sake of humanity.

### A BURNING ISSUE.

(Southern Lumberman).

Strange what some men find to worry about! A man in Hoquiam, Washington, has hit upon an issue which he thinks may represent a hypothetical crisis in national affairs. He writes to his local paper:

Can the name of a member of Congress be changed while representing a district from which he or she was elected? If not, what would happen if Miss Jeanette Rankin were to marry while representing her Montana district as a member of the House of Representatives?

The obvious answer is: Through her voters—men and women—the sovereign state of Montana has elected to Congress not a name but a person.

Probably the next question will be, "What if Representative Rankin should marry a foreigner—a duke, or something?" And that might be harder to answer.

### DR. ABBOTT FOR CONSCRIPTION.

(The New York Outlook).

"In a free republic the people govern themselves and educate themselves. They ought also to be prepared to defend themselves."

The foregoing statement is contained in a letter from Lyman Abbott, editor of the Outlook, received by Senator Chamberlain, of Oregon, author of the bill for compulsory military training.

Mr. Abbott, coming to the front for universal service, adds:

"It would promote a spirit of real patriotism, a patriotism which recognizes the truth that the people owe something to the government as well as the government owes something to the people."

### GERMANS SPOIL THEIR CASE.

(Chicago Tribune).

From the earliest days of the Big Quarrel the Germans have spoiled their side by trying to explain it. A notable example is replying to accusations of atrocities by citing parallel cases of Allied atrocities. This puzzles Americans. We expect little from a crude and uneducated crew like the Russians, or British, or French, but we expect a great deal from a superior people like the Teuts, especially as Jehovah is a German.

### A CONUNDRUM.

(Hamilton Herald).

Old Abe Lincoln waged a four-year war, which included the freedom of the blacks. Woodrow Wilson stands passively by while whites are enslaved in Belgium. Which is the most distinctively American?

### PREFER COLD FEET TO TRENCH FEET.

(Ottawa Evening Journal).

Two thousand men applied at the City Hall in Montreal for jobs shovelling snow. The white trenches are preferred by many to the other kind.

### THE PROFESSOR'S WAGE.

(Chicago Tribune).

One of the more prominent eastern colleges has been conducting a survey of itself. It finds the students living in magnificent dormitories and palatial fraternity houses, some of which are heavily endowed, going to classes in their own automobiles and possessing more changes of raiment than Samson lost by his ill advised bet to the Philistine youths.

The survey was pleasant until it looked into the homes of the professors. There it found scholars of Greek and Latin, profound teachers of physics, cranking up clothes wringers and putting bluing in the family wash tubs.

The average pay of professors in this particular college is considered high, but it is less than a good bartender can command. The unctuous head waiter at a fashionable restaurant makes considerably more. An assistant professor would grow fat on the stipend of the chorus girl who has straight and comely legs.

The professor is another "man with a white collar."

### RICH MEN AND THE PUBLIC.

(Indianapolis News).

In the last twenty years there has been a growing feeling that in its relation to rich men, the public is somewhat in the position of an expectant heir. Mr. Carnegie contributed something to this attitude by giving away a dozen or so fortunes the size of the Archbold fortune. Mr. Rockefeller likewise has played rich uncle to a host of worthy causes which have come to his notice. A great many other rich men have followed their example and shared fortunes with the public. This contributed to the impression that in America the function of the man gifted with extraordinary business and financial ability is to accumulate as much as he can and then spend it for things the public needs but has not been able to provide for itself.

### THE PYRAMIDS.

These wonders of the world are situated about six miles from Cairo, on the left bank of the Nile, and near the small town of Ghizeh. They are supposed to date from 5000 B. C. to 2300 B. C., are built of limestone, and an almost fabulous number of labourers must have been engaged in their erection. The pyramids are believed to have been built by the respective kings as tombs for themselves. The largest, that of Cheops, covers an area of 11 acres and rises to a height of 480 feet.

Perseverance built the Pyramids and scaled the Alps. It as tunnelled our canyons, bridged our rivers, belted the world with a chain of railroads and steamship lines, and searched out all the remotest places of the Globe.

### "A NATIONAL LENT."

(Buffalo News).

There is no more pregnant sentence in the British Premier's recent speech than this: "Let us proclaim a national Lent during the war."

Lloyd George showed himself not only a master of rhetoric but a master craftsman in the art of appeal when he uttered those words.

Coming from the mouth of a man who but a few short years ago was a thorn in the flesh of the established church, it must have startled those who heard it.

### AVAILABLE GOVERNMENT SHOPS.

(Victoria Times).

The Ottawa Citizen recently published a list of them. By operating these as national munition factories the government could control the profits of private firms and save millions of dollars. And it would be setting a most excellent example in practical economy. This is what the British, French and Russian governments have done. Why not the government of Canada?

### DEBT OF A BILLION.

(Toronto Globe).

Canada's net debt in December was \$722,111,000, the increase during two and a half years of war being almost four hundred million. The Dominion is hardly likely to emerge from the conflict with less than a billion dollars of a debt burden.

# BANK OF MONTREAL

Established 1817

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

## BOARD OF DIRECTORS:

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

## A GENERAL BANKING BUSINESS TRANSACTED

## BANK OF NOVA SCOTIA.

The Bank of Nova Scotia statement for the year ended December 31st is notable for new high records in respect to total resources, profits earned for shareholders and liquidity of position.

As to resources the total assets of the bank, which passed 100 millions for the first time in 1915, are up more than 12 millions to nearly 117 millions. Of that substantial total nearly 72 millions are carried in cash, bank balances, etc., securities and call loans, these assets of an immediately or readily available description constituting in excess of 74 per cent of the bank's total liabilities to the public. Taking cash holdings, notes and cheques of other banks, balances due from other banks and the Central Gold Reserve deposit, the proportion to public liabilities is close to 36 per cent.

The appropriations out of last year's profits are shown in the following comparative table of profit and loss figures for three years:

|            | 1916.       | 1915.       | 1914.       |
|------------|-------------|-------------|-------------|
| Profits    | \$1,252,038 | \$1,220,057 | \$1,196,116 |
| Prev. bal. | 396,114     | 201,057     | 41,124      |
| Total      | \$1,648,153 | \$1,421,114 | \$1,237,241 |
| Less:      |             |             |             |
| Divid.     | \$910,000   | \$910,000   | \$848,750   |
| War tax    | 65,000      | 65,000      | .....       |
| Pens. F.   | 50,000      | 50,000      | 50,000      |
| Patriotic  | 38,500      | .....       | 37,433      |
| Reserve    | .....       | .....       | 100,000     |

|            |             |             |             |
|------------|-------------|-------------|-------------|
| Total ded. | \$1,063,500 | \$1,025,000 | \$1,036,183 |
| Balance    | \$584,653   | \$396,114   | \$201,057   |

Some leading comparisons are made in the following table:

|                    | 1916.        | 1915.        |
|--------------------|--------------|--------------|
| Circulation        | \$ 7,945,081 | \$ 7,154,415 |
| Deposits dem.      | 21,278,801   | 18,164,057   |
| Do. notice         | 66,546,078   | 58,644,110   |
| Do., total         | 87,824,879   | 76,808,167   |
| Public liab.       | 96,748,785   | 84,984,375   |
| Coin               | 7,187,031    | 5,212,598    |
| Dom. notes         | 10,339,227   | 12,081,463   |
| Cent. gold res.    | 2,000,000    | 1,750,000    |
| Bank bal., etc.    | 13,487,580   | 10,488,243   |
| Call loans, Can.   | 4,519,455    | 6,023,921    |
| Dom. loans, Can.   | 7,793,853    | 6,023,921    |
| Call loans, abroad | 7,791,173    | 7,731,849    |
| Securities         | 18,446,892   | 9,571,996    |
| Total liquid       | 71,926,080   | 60,340,817   |
| Current loans      | 34,930,637   | 34,012,487   |
| Do. abroad         | 5,909,211    | 6,305,446    |
| Total assets       | 116,621,727  | 104,244,467  |

## BANK OF ENGLAND STATEMENT.

The Bank of England reported an increase for the week in gold coin and bullion holdings of £56,726. Proportion of reserve to liabilities is now 18.90 per cent, against 19.40 last week and 19.76 two weeks ago.

The weekly statement shows the following changes: Total reserve increased £836,000; notes reserve increased £869,000; notes in circulation decreased £185,000; public deposits increased £1,795,000; other deposits increased £7,451,000; Government securities increased £12,610,000; other securities decreased £3,202,000.

The detailed statement compares as follows with the same week one and two years ago:

|                  | 1917.       | 1916.       | 1915.       |
|------------------|-------------|-------------|-------------|
| Gold             | £56,115,288 | £51,168,058 | £49,920,439 |
| Reserve          | 35,734,000  | 35,708,398  | 33,603,164  |
| Notes reserve    | 34,346,000  | 35,476,070  | 32,827,325  |
| Reserve to liab. | 18%         | 22 1/2%     | 22%         |
| Circulation      | 38,830,000  | 33,909,655  | 34,767,275  |
| Public deposits  | 51,324,000  | 59,474,227  | 37,588,425  |
| Other deposits   | 137,699,000 | 100,782,235 | 126,284,737 |
| Govt. securities | 132,866,000 | 32,833,661  | 18,068,460  |
| Other securities | 39,382,000  | 109,724,797 | 110,264,501 |

## PERSONALS.

Mr. Grant Johnson is retiring from the firm of McCuaig Bros. & Co., members of the Stock Exchange, to go into business on his own account. The business will be carried on as usual by Mr. Clarence J. McCuaig, Major D. R. McCuaig, D.S.O., Lieut.-Col. G. Eric McCuaig, D.S.O., and Capt. Clarence N. McCuaig, the three latter being overseas at the present time.

## BANK OF FRANCE.

The weekly statement of the Bank of France shows the following changes: Gold holdings increased 11,230,000 francs; silver holdings decreased 1,931,000 francs; notes in circulation increased 74,101,000 francs; general deposits increased 46,364,000 francs; bills discounted decreased 9,700,000 francs; Treasury deposits increased 50,471,000 francs; advances decreased 20,760,000 francs.

The detailed statement compares as follows (in francs):

|            | 1917.          | 1916.          | 1915.         |
|------------|----------------|----------------|---------------|
| Gold       | 5,169,246,000  | 5,006,225,000  | 4,492,789,000 |
| Silver     | 291,022,000    | 353,350,000    | 625,325,000   |
| Coin       | 17,189,170,000 | 13,756,036,165 | 9,986,041,000 |
| Gen. dep.  | 2,115,521,000  | 2,048,787,782  | 947,571,861   |
| Bills dis. | 2,109,655,000  | 2,204,847,338  | 2,454,280,425 |
| Tr. dep.   | 143,327,000    | 25,799,514     | 382,561,817   |
| Advances   | 1,276,805,000  | 1,124,121,001  | 743,772,854   |

## SUN LIFE ASSURANCE CO.

The Sun Life Assurance Company of Canada announces that it has subscribed for £500,000 of the British "victory" loan, announced this week in London, and \$1,000,000 to the new 5 1/2 per cent secured British loan now being offered in New York by a syndicate of bankers headed by J. P. Morgan and Co.

## NEW BRANCH.

A branch of The Canadian Bank of Commerce has been opened at Willow Brook, Sask., in charge of Mr. J. R. Riches.

## THE MONTREAL STOCK EXCHANGE.

There were two factors contributed to the dullness of the Stock Market during the past week, these being the destruction by fire of the Canada Car and Foundry Company's plant, and the cutting of the Dominion Bridge Company's bonus. As a result of reducing the disbursement in connection with the Dominion Bridge, that stock was heavily liquidated and sold down to 147 or 20 points below the level at which it was selling last week. Other munition stocks were active, Dominion Steel Corporation with transactions of 4200 shares, and Steel Company of Canada with 4700 shares being traded in.

Apart from the steel stocks there was little or no activity in the market. The paper stocks were entirely neglected, the only exception was Brompton which was traded in to the extent of 1775 shares, and showed a net gain for the week of a half point. Brompton was put on a dividend basis during the week, starting off on a 1 per cent quarterly and a bonus of a quarter of 1 per cent. It is believed in circles close to the Company that this bonus will shortly be increased. Paper Companies are making good money, and others of them are likely to join the dividend paying class before very long. One of the later ones being credited with dividend possibilities is Howard Smith common, which is said will shortly be put on an 8 per cent basis.

The following are the transactions for the week as compared to last week and the corresponding week a year ago.

|           | Week Ending   |               |               |
|-----------|---------------|---------------|---------------|
|           | Jan. 20, 1917 | Jan. 13, 1917 | Jan. 22, 1916 |
| Shares    | 29,790        | 31,495        | 31,525        |
| Mines     | 1,850         | 5,310         | 1,396         |
| Bonds     | \$506,450     | \$294,175     | \$88,100      |
| Unlisted  | 2,031         | 2,352         | 1,100         |
| Do. Bonds | \$2,500       | .....         | \$2,500       |

ESTABLISHED 1832

Paid-Up Capital  
\$6,500,000



Reserve Fund  
\$12,000,000

TOTAL ASSETS OVER \$100,000,000

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

# THE BANK OF NOVA SCOTIA

# AMONG THE COMPANIES

## NOVA SCOTIA TRAMWAY & POWER CO.

The first act of the new Nova Scotia Tramway & Power Co., which has taken over the Halifax Electric Tramway, was to authorize an increase of wages to conductors and motormen of practically 10 per cent or two cents an hour all round. The company had a wage agreement running to May 1st next. The directors, in ordering the increase, not only anticipated this date, but the notice, which was posted at the end of the week, makes the advance effective from January 1st.

In the new Nova Scotia Tramway & Power Co. the old stock of the Halifax Electric Tramway Co. will enter at a valuation of \$203.50 per share.

Notices have been sent out to Halifax Tramway shareholders announcing that on this \$203.50 valuation, they can exchange into shares of the new company on the basis of 75 for the new company's preferred and 40 for the new company's common stock. Of the 14,000 shares, it is stated, that all but 2,500 are owned by the controlling interest.

## MONTREAL TRUST COMPANY.

The annual report of the Montreal Trust Company for the year ending December 31st, presented to the shareholders at the annual meeting a few days ago, shows net profits after providing for expenses of management, accrued interest and all other charges, amounting to \$160,780, which, with the balance brought forward from December 31st last year, brought the total to \$211,915.

Of this total, \$80,000 was required for dividend purposes, \$50,000 was transferred to reserve; war tax amounted to \$6,579, and \$5,000 was contributed to the Canadian Patriotic Fund, leaving a balance of \$70,336 carried forward.

The Montreal Trust Company have purchased the Quebec Bank Building on Place d'Armes Square and will shortly move to that location.

The Board of Directors now consists of Sir Herbert S. Holt, president; A. J. Brown, K.C., vice-president; Lord Aitken, J. E. Aldred, C. A. Crosbie, Hon. R. Daurand, Hon. N. Curry, George Caverhill, C. E. N. E. L. Pease, William Molson Macpherson, F. W. Ross, Hon. W. B. Ross, K.C.; Hon. W. J. Hanna, G. H. Duggan, Stuart Strathy, A. Haig Sims, Hugh Paton, E. P. Jones, James Redmond, F. G. Donaldson.

## DOMINION BRIDGE CO.

The 3 per cent bonus that has accompanied the 2 per cent quarterly dividend of the Dominion Bridge Co. for five consecutive payments, or since the autumn of 1916, was reduced to 2 per cent in the declaration for the first quarter of the company's current fiscal year, which began November 1st last.

Mr. Phelps Johnson, president, in a statement authorized by the board, explained the directors' decision in part as follows:

"While the position of the company as disclosed in the annual statement is an exceedingly strong one, and would justify the continuation of the bonus paid during the past year for some considerable time, the board felt that it was judicious to maintain an unusually strong cash position, in view of the developments that might occur in the next year or so.

"Under these circumstances the board decided to reduce the bonus from that paid during the past year, and make the announcement that the payment of further bonuses will depend on the condition and prospects at the time future dividends are considered."

## TRUSTS AND GUARANTEE CO.

The annual statement of the Trusts and Guarantee Company for the year ended December 31st, shows net profits for the year, after costs, etc., at \$105,146, compared with \$102,261 in 1915. Balance at profit and loss was \$416,370, up from \$393,642 and balance on hand at \$393,641 as compared with \$373,289. Total assets increased from \$14,156,574 to \$15,404,349.

Substantial increases were shown in guarantee trust account, which increased from \$4,266,807 to \$4,601,525, and estates and agency account from \$7,453,489 to \$8,342,816. Capital account was \$1,840,661, up from \$1,805,590 a year ago.

## SOUTHERN CANADA POWER CO.

The annual meeting of Southern Canada Power Company was held a few days ago, and while no official announcement was made to the effect that the absorption of Sherbrooke Railway and Power is pending it was generally expected that the deal will be concluded in a few days.

Both companies operate in the same territory in the Eastern Townships, with the same interests largely represented in both companies, and the development seems a natural one.

The Southern Canada Power Company is now building a transmission line from Windsor Mills to Sherbrooke, and with power purchased from the Shawinigan Company it will be able to provide a much greater supply of power in the Sherbrooke district, where it is much needed. Details regarding the basis for exchange of securities in the taking-over of the Sherbrooke Railway and Power Company will be made public within a few days.

The financial statement showed earnings of one hundred per cent greater than in the first year of the company's existence, and equal to the bond interest one and one-third times.

It was stated that the acquisition of the Sherbrooke company will not only benefit the Southern, by rounding out its territory in the Eastern Townships, but will also strengthen the position of the bondholders of the Sherbrooke company.

During the year the company made extensions at St. Johns, St. Hyacinthe, Iberville, and Drummondville, and transmission lines were built connecting St. Johns and St. Hyacinthe, through Belle Isle.

The directors elected are as follows: C. J. McCualg, president; F. W. Peel (until recently managing director of Porto Rico Railway and Light), vice-president; C. W. Hawkins (managing director of the Dominion Power and Transmission Company), H. P. Chalfoux, J. B. Woodyatt, J. M. Robertson, C. W. Cooke, W. K. Baldwin and Grant Johnston.

Mr. Peel, in addition to being elected vice-president, was appointed consulting director, and Mr. Woodyatt was appointed general manager. L. C. Haskell was appointed secretary-treasurer.

## NOVA SCOTIA STEEL AND COAL CO.

The Nova Scotia Steel and Coal Company will manufacture 7,000 car axles for the Russian cars now building at the shops of the Eastern Car Company, a subsidiary of the Nova Scotia Steel Company. This action follows the unsuccessful negotiation for this material in the United States during the last two weeks.

It is possible that the 24,000 car wheels needed for the same construction may also be made at the shops of the Nova Scotia Steel Company, which enjoys the distinction of having a self-contained plant from the mining of iron ore to the completion of railroad cars of various types. The company has not only manufactured cars for foreign countries, but has delivered the products of its shops in Russia and in France. The transportation charges necessarily have been high and on a recent lot of coal cars delivered in France something in excess of \$3,400 for each car was paid on the steel company. On a late invoice for fifty cars for Russia — an instalment for an order of 2,000 cars, \$1,750 a car, at the shops was obtained.

## BROMPTON PULP & PAPER CO.

The Brompton Pulp and Paper Company has joined the rapidly growing list of dividend paying paper companies.

At a meeting of the directors of the Brompton Pulp and Paper Co., Ltd., held a few days ago, a dividend of one per cent was declared on the common stock of the company for the quarter ending January 31st, 1917, payable on February 7th, 1917, to shareholders of the record at the close of business upon January 31st, 1917.

The directors authorized the following financial statement of the company, as at January 15th, 1917. Accounts and bills payable including war tax ... \$ 220,346

Cash on hand and accounts receivable ... 1,044,000

The earnings for the two and a half months ending January 15th, 1917, over and above fixed charges and preferred stock dividend are approximately \$335,367.88

## WAYAGAMACK PULP & PAPER CO.

The annual statement of the Wayagamack Pulp and Paper Co. for the fiscal year ended November 30, 1916, shows that the company had record breaking earnings and that it is taking advantage of the fat period in its line of business to whip the finances of the company into the strongest possible shape.

This may be judged from the fact that out of the net profits before bond interest and depreciation of \$979,362, a total of \$914,632 has been appropriated, a very substantial sum going into reserves, leaving \$64,730 to be added to the balance of profit and loss which with the balance from the preceding year makes a total of \$679,280.

As the previous statement was for a period of seventeen months the latest figures do not offer the usual opportunity for comparison but some indication of the growth of the business in the past year may be obtained from the fact that the net profits for the seventeen month period were \$394,989 under the total for the twelve months of the last fiscal year, and they are more than double or \$575,459 greater than for the twelve months ended in 1914.

Out of the year's profits the management has not only set aside a sum of \$154,638 for depreciation for the past year, but has allotted a further sum of \$450,000 for depreciation covering three years up to November 30, 1915, which covers the existence of the company. Bond interest took \$210,000 and \$10,000 was set aside for the proportion of discount on bonds.

The balance sheet offers the following comparisons:

|   | Assets.      |              |
|---|--------------|--------------|
|   | 1916.        | 1915.        |
| Cash and acc. rec. ...                      | \$ 74,581    | \$ 183,500   |
| Inventory ...                               | 864,982      | 672,990      |
|   | \$ 938,563   | \$ 756,490   |
| Buildings, plant, etc. ...                  | \$ 2,734,520 | \$ 2,432,656 |
| Add. expend. ...                            | 152,535      | 301,864      |
| Prop. limits, real estate, etc. ...         | 6,569,737    | 6,584,266    |
| Add. expend. ...                            | 24,659       | 15,470       |
|   | \$10,441,016 | \$10,190,748 |
|   | Liabilities. |              |
|   | 1916.        | 1915.        |
| Accts. pay. ...                             | \$ 156,241   | \$ 111,372   |
| Bills pay. ...                              | .....        | 370,228      |
| Oper. charges acc. ...                      | 54,132       | 31,012       |
| Loans ...                                   | 268,728      | 312,608      |
| Accru. int. on bds. ...                     | 70,000       | 70,000       |
| War tax ...                                 | 90,000       | .....        |
| Res. against lumbering operation ...        | .....        | 58,675       |
| 40 yr. 6 per cent 1st mortg. gold bonds ... | 3,500,000    | 3,500,000    |
| Com. stock ...                              | 5,000,000    | 5,000,000    |
| Res. for dept. and renewals ...             | 604,638      | .....        |
|   | \$10,441,016 | \$10,190,748 |

## CANADIAN CAR & FOUNDRY CO.

A statement issued in New York by Senator Curry expresses the opinion that the company will lose very little from the Kingsland fire.

Of the total \$12,000,000 loss \$8,000,000 worth of shells had been turned over to the Russian representatives and were awaiting shipment. Of the remaining \$4,000,000 which the company has to stand \$3,250,000 is covered by insurance, so that there is only \$750,000 actual loss to the company.

The company, its president said, had more than sufficient money on hand to pay up all the bills even if nothing more were collected from the purchasers. In spite of the loss, the company will show a profit from the Russian contract.

Tests cases regarded as decisive of about 800 railroad claims against the United States Government for approximately \$35,000,000 additional compensation for carrying the mails from 1907 to 1911, were decided by the Supreme Court, at Washington, against the railroads. Appeals of the Chicago and Alton and Yazoo and Mississippi railroads from rejection of test claims were dismissed.

# The Canadian Bank of Commerce

ESTABLISHED 1867

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

## BOARD OF DIRECTORS

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

## BRANCHES IN CANADA

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

## BRANCHES AND AGENCIES ELSEWHERE THAN IN CANADA

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

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

## SAVINGS DEPARTMENT

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

## CANADIAN BANK CLEARINGS FOR 3 YEARS.

The figures of Canadian bank clearings for the past three years offer the following comparison:

|                 | Year 1916.       | Year 1915.      | Year 1914.      |
|-----------------|------------------|-----------------|-----------------|
| Montreal        | \$3,724,609,123  | \$2,628,122,428 | \$2,631,354,533 |
| Toronto         | 2,571,535,613    | 1,885,956,257   | 2,013,055,664   |
| Winnipeg        | 2,061,795,257    | 1,530,683,124   | 1,370,960,806   |
| Vancouver       | 321,585,736      | 281,575,949     | 420,951,718     |
| Ottawa          | 261,049,599      | 211,636,520     | 209,662,599     |
| Calgary         | 233,097,671      | 169,758,599     | 201,669,873     |
| Hamilton        | 200,811,087      | 151,420,271     | 148,934,586     |
| Quebec          | 192,163,703      | 158,325,906     | 165,873,241     |
| Edmonton        | 114,345,955      | 105,849,951     | 157,308,683     |
| Halifax         | 125,997,881      | 104,414,585     | 100,230,103     |
| London          | 100,090,560      | 89,774,787      | 86,024,236      |
| Regina          | 124,349,589      | 87,122,604      | 98,205,585      |
| St. John        | 90,946,795       | 77,058,264      | 78,249,621      |
| Victoria        | 80,331,121       | 76,677,926      | 121,663,272     |
| Saskatoon       | 68,316,154       | 50,146,841      | 59,314,941      |
| Moose Jaw       | 52,971,442       | 42,634,319      | 45,846,371      |
| Brandon         | 28,922,513       | 27,132,123      | 26,397,457      |
| Brantford       | 34,243,297       | 26,640,280      | 28,669,309      |
| Port<br>William | 27,472,199       | 24,840,905      | 39,110,558      |
| Lethbridge      | 31,638,549       | 19,740,218      | 21,217,849      |
| Medicine<br>Hat | 21,670,502       | 13,503,194      | 19,768,862      |
| New<br>Westster | 18,878,007       | 13,460,081      | 19,080,081      |
| Peterboro       | 26,675,636       | 20,970,677      | 11,338,896      |
| Sherbrooke      | 24,478,899       | .....           | .....           |
| Kitchener       | 26,066,436       | .....           | .....           |
| Total           | \$10,564,043,329 | \$7,797,430,809 | \$8,063,539,898 |

## NEW MUNITION PLANT FOR CANADA.

It is announced that arrangements have been completed between the Imperial Munitions Board and the Toronto Harbor Commission by which the former will erect an electrical steel plant covering sixty acres, with a capacity of 300 tons a day. Work on the erection of the plant is to be started at once. The plant is expected to be in operation by July.

## BANQUE D'HOCHELAGA.

Increased Capital to \$10,000,000. — Strong Financial Position. — Considerable Increase in Its Business.

It was stated at the forty-second annual meeting of the Shareholders of the Banque d'Hochelaga, which took place on January 18, that the bank had made considerable progress in the course of the year, and greatly strengthened its financial position. Deposits have increased by \$6,657,000; cash on hand in gold and Dominion notes amounted to \$4,346,000, being an increase of \$1,128,000 over the year 1915 without taking into account an amount of \$700,000 deposited in the Central Gold Reserves. The immediately realizable assets reach the figure of \$17,253,353, including advances amounting to \$1,275,723 made to municipal and school corporations. The assets of the Bank have grown to \$41,861,527 and are \$10,000,000 greater than in 1913.

The Bank has opened during the course of the year 14 branches and 16 sub-agencies.

In the report of the Directors the attention of the public is emphatically drawn to the necessity of practicing economy in order to allow Canada to continue its progress and to develop its valuable natural resources with capital accumulated by its citizens instead of having recourse to foreign loans.

The old Board of Directors has been re-elected and is now composed of Messrs. J. A. Vaillancourt, President; Hon. F. L. Belique, Vice-President; A. Turcotte, E. H. Lemay, Hon. J. M. Wilson, A. A. Larocque and A. W. Bonner.

## BANK OF HAMILTON ANNUAL.

The 45th annual meeting of the Bank of Hamilton was held, at the head office, a few days ago, when reports for the year ended November 30th, were presented. The statement regarding earnings, assets, etc., has already appeared. The old board of directors were re-elected consisting of Sir John Hendrie, president; Cyrus A. Birge, vice-president; Robert Hobson, C. C. Dalton, W. A. Wood and James Turnbull. The new men elected to the board were W. E. Phin, of Hamilton, and I. Pitblado, K.C., of Winnipeg.

## HIGH COST OF LIVING.

Retail Grocers Believe Present Legislation Is Not Securing The Results.

Ottawa, Jan. 18.

A meeting of the Retail Merchants' Association of Canada was held last evening in the board rooms in the National Bank building, presided over by Mr. E. M. Trowert, secretary of the Dominion Board, for the purpose of discussing the investigation which is at present being carried on by the High Cost of Living Committee.

The opinion was expressed by some of the members that a committee should wait upon the premier and the members of the cabinet, and call their attention to the fact that the information asked of the merchants under the High Cost of Living legislation is not leading anywhere and is not producing the desired results.

It is claimed that this condition of affairs is due to those persons who are seeking the information not being business men and therefore unfamiliar with the terms of trade, and the answers to the questions which have been submitted.

This has led to reflections being cast on the merchants of Ottawa and has had the effect of making it appear that the Capital is a very expensive place to live in.

## Business Committee.

It was suggested that the most appropriate method of dealing with the question of the High Cost of Living, would be for the government to appoint a committee of capable men representing the various lines of trade who would be practically familiar with the subjects on which information is sought. It would also be desirable that this committee should be under the direction of the department of Trade and Commerce instead of the Labor department, as it was pointed out that as labor was in no wise touched by the investigations there was no valid reason why this question should be dealt with by the labor department. It was decided unanimously that a committee be formed to wait upon Sir R. L. Borden and place before him the views of the association with the object of having present conditions which are far from satisfactory as far as the merchants of the city are concerned, remedied if possible.

# Comments on Current Commerce

By E. S. BATES

**Where Hearst Gets His Newsprint.**—The fact, well-known among paper men in the United States, yet not common property here, that the raw material for practically all the paper used by the German-American press is imported from Canada, is enough to make the blood boil within the average Canadian citizen. It has come to our knowledge recently that the Staats-Zeitung, of New York, is printed on paper made from ground-wood and sulphite pulp imported from Canada. And further that the famous Hearst string of papers are printed for the most part on paper manufactured from Canadian raw material. It was stated further, and the information is from a thoroughly authoritative source, that if it was not for Canadian raw materials these papers would be in a very bad way. That they would find it practically impossible to obtain anything like a sufficient quantity of newsprint to fill their requirements. Surely the Trading with the Enemy Act covers these cases. It certainly covers much less important ones, and should be put into operation in the present instance.

**Exporting Our Birth-Right.**—Upwards of one million cords of pulp wood are exported from Canada annually, mostly to the United States. That represents approximately 41.4 per cent of the total quantity of pulp wood cut in Canada each year. Statisticians tell us that the percentage is rapidly decreasing, and that the export of pulp and paper is increasing by leaps and bounds. But one million cords of pulpwood represents approximately one million tons of paper, and this paper is being manufactured in the United States. Canada has been prodigal in her manipulation of her forest resources. We have gone straight ahead cutting down our forests with little heed to the fact that they are exhaustible. Speculators and promoters can buy the freehold rights on thousands of acres of pulp lands in either Ontario or Quebec for a mere song, with little restriction in the matter of reforestation, etc. The pulp and paper industry is now attracting wide attention. Several hundred tons will be added to the daily output of our pulp and paper mills this year. But would this expansion not be even greater if American mills were shut off from the Canadian supply of pulp wood? United States must have the paper, and we need have little fear of retaliation. Our immense wealth of natural resources, if it is to be exploited at all, should be exploited to the advantage and benefit of Canada and Canadians, rather than at our expense and in favor of the United States. At present, we are looked upon as easy marks, and no doubt, the name is rightly applied.

**The Outlook for Silver.**—Market tendencies indicate that the Allies have taken steps to eliminate competition in the buying of silver for coinage purposes, having perfected arrangements by which their purchases are pooled. Indication of this is stated to have been evidenced during the last few weeks, when the New York market has received heavy bids for the white metal, without an advance of even a fraction of a penny in the price. The fluctuations in the price of silver during 1916 were great, and although present quotations both in New York and London are high the added firmness given to the market should greatly assist the Allied countries in their purchases. The New York commercial quotation is now 75 cents per ounce. The high price for 1916 was 76½ cents, while a year ago the price ruled around 55½ cents. In the London market bars are now quoted at 36¼d. The high for 1916 was 37d, while a year ago the price ruled around 28 11-16d. The opinion of leading bullion dealers is that peace will bring a greatly increased demand for the white metal, chiefly for coinage purposes to displace the immense supply of paper currency now in circulation.

**The High Cost of Canned Goods.**—Canned goods lead the race in the upward climb of foodstuff prices during 1916. The price advanced about 100 per cent on many lines, and a little more water was added making the purchase of the stuff a losing proposition so far as the consumer was concerned no matter what view he took. Prices are still high, and trade reports say 'rising steadily.' No doubt packers are facing greatly increased costs similar to every other line of industry. 'The Canner', published in Chicago, has compiled the price lists of packers' cans for the past fifteen years and finds that cur-

rent prices are the highest ever known. Cans selling at \$9.50 in January last year are now quoted at \$15.75, and so on. The present official price on tin plate is 7.00, compared with \$3.53 in January, 1915. This extra cost, together with the labor shortage, increased cost of other materials, and the extraordinary demand for canned goods for army rations probably accounts for a substantial part of the increased cost to the Canadian consumer.

**The Dyestuff Situation.**—While manufacturers and users of dyestuffs and chemicals in this country have succeeded in overcoming many of the early difficulties caused by the shutting off of the German product, the situation is still far from satisfactory. Woolen mills have been better off than most users through being able to replace the artificial dyes with natural dyes of which the supply is now ample. But direct colors are still very scarce. The American production is totally inadequate. A small quantity of the German product has come through from Switzerland from time to time, and Swiss manufacturers have redoubled their efforts, but these dyes are usually heavily diluted by the time they reach the manufacturers, and are a most expensive luxury at the prices being asked. British Dyes, Limited, has developed a wonderful plant outside Huddersfield, but they are handicapped through having to put their principal energies into the manufacture of trinitrotoluol and other products used in making explosives. American concerns are developing rapidly, however, and the end of the war will see Germany with a great deal more strenuous competition than she ever dreamed possible. The United States government has assured American dyestuff manufacturers of adequate tariff protection. There is little doubt that England will insure the permanent expansion of the industry in the British Isles. The Canadian consumption hardly warrants the development of the industry here, although a start has been made and every encouragement should be extended the effort.

**Thrift, Efficiency, Honesty, Common-Sense.**—While we are heartily in favor of the principle behind the government's effort to invoke the people to greater saving, we are particularly pleased with the resolution which will be brought before Parliament calling for the exercise of "thrift, efficiency, honesty and common sense" in administering the affairs of the Dominion. No doubt the resolution will pass with scarcely a dissenting voice, and our representatives will consider they have done well. The admonition is a trifle late in coming forward, but Mr. Northrup (E. Hastings) must have every good intention. Perhaps some magic will accompany the resolution making it thoroughly effective. The Canadian public desire nothing more than that; simply "thrift, efficiency, honesty and common-sense" in the administration of the country's business. But, we have our doubts.

**German Conditions.**—The German Embassy at Washington has just issued a report on conditions in Germany during the past year. Among other things the report speaks favorably of the financial situation. The stock exchanges are active, although no quotations are published. Reviewing the railroad situation the report states that the 40,000 miles of railways is almost exclusively State-owned and operated. Also that some 9,000 miles of railway in the invaded portions of France, Russia and Belgium are under State operation. The textile industry was hard hit owing to the scarcity of raw material. Spinning mills were restricted to 20 to 30 per cent. of their peace output. In addition to shoddy made from old rags, nettle fibre and other vegetable fibres are being used extensively. Many plants are manufacturing yarns from wood pulp, while paper yarn has displaced jute yarns for bags and other purposes. Wood pulp is used exclusively in place of cotton in the manufacture of explosives, and in the same way substitutes have been found for rubber. Coal is plentiful, according to the bulletin. Germany is exporting 250,000 tons a month to Switzerland. Coal is transformed into coke or briquettes in order to obtain the by-products for the manufacture of dyestuffs and explosives. The iron production last year amounted to 14,500,000 tons (estimated) compared with 11,785,000 tons in 1915, and 15,220,000 tons in 1912. The steel production amounted to 15,500,000 last year,

against 13,151,000 tons in 1915, and 17,302,000 tons in 1912. Germany's combined yield of wheat and rye in 1916 is estimated at 532,530,000 bus. compared with 475,090,000 bus. in 1915 and 530,700,000 in 1914. It is not industrial depression that will bring Germany to her knees. Starvation, as described in recent issues of this Journal, is the great spectre.

**Winnipeg's Financing.**—According to the report of City Treasurer H. C. Thompson, the city of Winnipeg has reduced its debt by \$476,715.90 by the conversion of its bonds from London to New York. Taxation for the coming fiscal year will be reduced \$12,000, and the amount of reduction will increase yearly thereafter for 24½ years until the amount reaches over \$34,000 for the last year. The old debt taken up by J. P. Morgan and Co., of New York, amounted to £781,242, or \$2,828,715.90, which has been converted into a new debt amounting to \$2,352,000. It is proposed to cancel a number of existing by-laws, and the sinking fund reserve at the credit of these by-laws, together with the ordinary profits on the deal. The discount on the stock to be purchased and a proportion of the extra profit made on the sale of debentures, brings the total saving up to \$572,295.19.

**Canada the Beneficiary.**—American authorities estimate that Great Britain has cancelled fully one hundred million dollars worth of war orders placed in the United States since the warning of the Federal Reserve Board against the issue of British and French treasury bills with collateral in the United States. During this time the British Government has intimated that further large demands will be made on Canadian manufacturers of munitions involving the expenditure of from two hundred and fifty to three hundred million dollars in this country instead of in the United States. Of course, Canada will be required to find ways and means of financing this business. It may be accomplished partly by the issue of British and French treasury bills here, but it seems certain that we shall have to look to the United States for assistance. American bankers are expecting this and appear reconciled. The cancellation of orders applies chiefly to manufactured products such as rifles, shrapnel and shells, but it is likely to extend further into the raw material field. The factories of Great Britain, France and even of this country are becoming less dependent upon the United States for raw materials, although it is probable that the United States mills will be called upon for structural steel and other forms of materials to a greater degree than during the past few years.

**A National Highway.**—The automobile association of Vancouver Island has recently sent broadcast throughout this country a proposal regarding a great national highway stretching from Halifax to Victoria connecting up existing highways and opening up some of the newer settlements by building this road through Northern Quebec and Ontario. The argument used is that the construction of this great through road would furnish employment for thousands of workmen during the next few years when there is liable to be a surplus of unskilled labor on the market. The aim is a worthy one, but the utility of such a road when completed does not appear sufficient to warrant the huge expenditure the work would necessarily entail. There is greater need for further extension of the road construction work being done in the various Provinces in well-settled and prosperous districts. There is not a province in Canada which can rightly boast of its roads. Of course, there are many districts where the roads are all that can be desired, but even in Ontario and Quebec some of the richest and oldest farming districts are poorly served in the matter of good roads. In fact, poorly is scarcely strong enough to really describe the service. It will be better to put our energies to developing settled districts. Good roads are a first consideration in the efficient distribution of farm products, and Canada is hopelessly behind in this feature. Build the roads for the farmer and not for the automobile, and in time we shall have a national highway, lined with prosperous farms. The roads will be a paying proposition in the additional service rendered Canada's farm production.

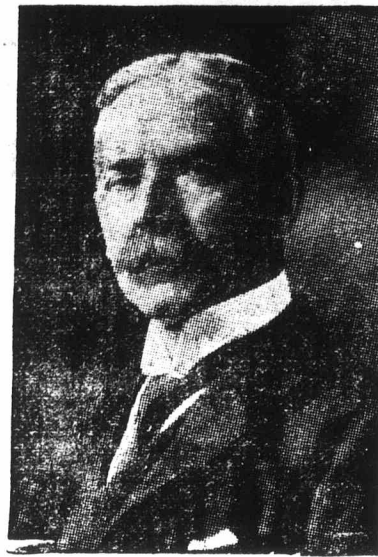
# THE DOMINION BANK

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

C. A. BOGERT, General Manager

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

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



LT.-COL. W. C. MACDONALD,  
 Managing Director Confederation Life, who was killed in Toronto on Sunday.

### CANADIAN BANK CLEARINGS.

The Canadian bank clearings for last week showed an increase over the corresponding period last year of 13.8 per cent. In the West the gain was 7.9 per cent. and in the East 16.1 per cent. Only two cities in the West showed a decline these being Victoria and Brandon. The largest gain shown was by New Westminster of 71.6.

|                 | 1917.         | 1916.        | P.C.  |
|-----------------|---------------|--------------|-------|
| Montreal        | \$69,197,988  | \$63,490,820 | 9.0   |
| Toronto         | 56,064,523    | 44,525,524   | 25.9  |
| Winnipeg        | 32,587,679    | 32,463,106   | 0.4   |
| Vancouver       | 6,485,867     | 5,117,577    | 26.7  |
| Calgary         | 4,749,814     | 3,310,694    | 43.5  |
| Ottawa          | 4,655,177     | 4,365,859    | 6.6   |
| Hamilton        | 4,078,692     | 3,460,178    | 17.8  |
| Quebec          | 3,681,722     | 3,494,844    | 5.3   |
| Halifax         | 3,362,983     | 2,366,768    | 42.2  |
| Regina          | 2,551,785     | 1,974,241    | 29.4  |
| Edmonton        | 2,232,958     | 1,882,717    | 18.6  |
| London          | 2,029,722     | 1,574,772    | 27.3  |
| St. John        | 1,865,671     | 1,534,593    | 21.6  |
| Victoria        | 1,439,952     | 1,328,147    | 34.3  |
| Saskatoon       | 1,401,275     | 1,095,117    | 28.0  |
| Moose Jaw       | 1,080,713     | 872,619      | 23.8  |
| Brantford       | 750,734       | 647,621      | 15.9  |
| Lethbridge      | 644,217       | 506,435      | 27.6  |
| Sherbrooke      | 599,379       | .....        | ..... |
| Fort William    | 563,697       | 529,906      | 6.3   |
| Peterboro       | 523,993       | 428,697      | ..... |
| Brandon         | 433,098       | 451,310      | 4.0   |
| Kitchener       | 497,127       | .....        | ..... |
| Medicine Hat    | 458,604       | 328,623      | 39.6  |
| New Westminster | 293,783       | 122,595      | 71.6  |
|                 | \$200,610,209 | \$24,234,142 | 13.8  |

### PROVINCIAL BANK.

In 1916 the Provincial Bank earned \$203,983 as against \$196,355 in 1915, according to a statement just issued. Dividend distributions called for \$70,000, an additional \$50,000 was added to the reserve fund, and \$25,000 was set aside for the creation of a Pension Fund. A contribution of \$5,000 was made to the Patriotic Fund; war tax took \$10,000, and \$16,000 was written off bank premises, furniture, etc. The rest account of the bank now stands at \$700,000, or 70 per cent of the capital.

Total assets of the bank now stand at \$18,400,000, an increase of \$4,400,000 in twelve months. Of the total obligations to the public \$16,000,000, over \$11,000,000, or about 70 per cent, it is reported, is represented in liquid assets.

### CANADA'S WAR ORDERS.

War orders valued at over \$1,000,000,000 have been placed in Canada since the outbreak of the war, it is estimated. Figures issued in October by the Imperial Munitions Board showed that munition orders placed since the war commenced, amounted to \$550,000,000, of which \$185,000,000 were placed in the first 9 months of the past year and about \$50,000,000 of orders were placed in the last quarter of the year. During 1915, total value of war orders, including munitions, were estimated at \$600,000,000. Orders for shells and fixed ammunition in that year were \$305,000,000.

# ... THE ... Molsons Bank

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

HEAD OFFICE : MONTREAL

Branches in 96 of the leading cities and towns in Canada. Agents and correspondents in leading cities of the United States and in Foreign Countries throughout the World.

Edward C. Pratt, - General Manager

# THE BANK OF BRITISH NORTH AMERICA

Established in 1836  
 Incorporated by Royal Charter in 1910.

Paid up Capital..... \$4,568,553.53  
 Reserve Fund..... \$3,017,333.33

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

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

This Bank has Branches in all the principal Cities of Canada, including Dawson (Y.T.), and Agencies at New York and San Francisco in the United States. Agents and Correspondents in every part of the world.  
 Agents for the Colonial Bank, West Indies. Drafts, Money Orders, Circular Letters of Credit and Travellers' Cheques issued negotiable in all parts of the world.

SAVINGS DEPARTMENT AT ALL BRANCHES

G. B. GERRARD, Manager, Montreal Branch

### DOMINION BANK EARNINGS.

Very satisfactory increases were made by the Dominion Bank in 1916.

Earnings of the Dominion Bank for the year just closed amounted to \$893,000, an increase of \$88,000, which with the balance of \$344,000 carried forward from 1915 left a total of \$1,237,000 at the disposal of the administration. Of this amount the 12 per cent dividend took \$720,000, contribution to Patriotic Fund, \$29,500; officers' pension fund, \$25,000; and as a precautionary measure, \$100,000 was written off bank premises. In spite of this extra impost, the amount carried forward showed an increase at \$367,000, this being the largest carried in profit and loss since 1913.

At the close of the year the bank's assets included \$12,600,000 of coin and legal, including the deposit in the Central Gold Reserve, and the aggregate liquid assets, amounting to \$37,625,000, were close to 48 per cent of the entire liabilities of the bank to the public. The most noticeable increase in these assets was in the item of "Canadian municipal securities and British foreign and colonial securities other than Canadian." The increase of \$6,333,000 in the value of these is largely due to financing by the bank on behalf of the Government. Call and short loans elsewhere than in Canada are up from \$221,000 at the close of 1915 to \$1,251,000 at the end of last year. Canadian call loans are down from almost \$6,000,000 to \$4,300,000.

The Chinese Government has contracted with the Siemens-Carey Company, of St. Paul, for the construction of an additional 300 miles of railway. The line is to run from Chowkiakow, in Honan province, through Nanyangfu to Siangyangfu, in Hupeh province. The work has been begun by a surveyor.

# THE HOME BANK OF CANADA

ORIGINAL CHARTER 1854

Branches and Connections Throughout Canada.

HEAD OFFICE AND NINE BRANCHES IN TORONTO

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

# THE Royal Bank of Canada

Incorporated 1869

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

HEAD OFFICE: MONTREAL

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

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

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

SAVINGS DEPARTMENTS at all Branches

### VALUE OF UNITED STATES FARM OUTPUT.

|      |                  |
|------|------------------|
| 1916 | \$11,000,000,000 |
| 1915 | 10,501,686,000   |
| 1910 | 9,037,391,000    |
| 1905 | 6,273,997,000    |
| 1900 | 5,009,595,000    |

### EUROPEAN NOTE EXPANSION.

The paper money outstanding in the principal European countries, for which statistics are available, shows these approximate increases since the war began:

|               |                |
|---------------|----------------|
| Great Britain | \$ 710,000,000 |
| France        | 2,223,000,000  |
| Germany       | 1,334,910,000  |
| Italy         | 358,290,000    |
| Russia        | 2,976,495,000  |
| Norway        | 29,715,000     |
| Sweden        | 44,425,000     |
| Denmark       | 31,000,000     |
| Holland       | 162,865,000    |
| Switzerland   | 39,095,000     |
| Spain         | 78,860,000     |

## 45th ANNUAL STATEMENT

For the Year Ending November 30th, 1916.

**Bank of Hamilton**

As submitted to the Shareholders at the Annual Meeting held at the Head Office of the Bank at Hamilton, January 15th, 1917.

**BOARD OF DIRECTORS.**

SIR JOHN HENDRIE, K.C.M.G., President  
 CYRUS A. BIRGE, Vice-President  
 C. C. DALTON  
 I. PITBLADO, K.C. ROBT. HOBSON  
 J. TURNBULL  
 W. E. PHIN  
 W. A. WOOD

J. P. BELL, General Manager

**PROFIT AND LOSS ACCOUNT.**

|   |                     |
|---|---------------------|
| Balance at Credit of Profit and Loss Account, 30th Nov., 1915   | \$ 175,821.53       |
| Profits for the year ended 30th November, 1916, after deducting charges of management, interest accrued on deposits, rebate on current discounts, and making provision for bad and doubtful debts | 442,525.69          |
|   | <u>\$618,347.22</u> |
| Appropriated as follows:  |                     |
| Pension Fund, Annual Assessment   | \$ 8,790.65         |
| Special Contribution  | 10,000.00           |
|   | 18,790.65           |
| War Tax on Bank Note Circulation  | 30,000.00           |
|   | <u>\$408,790.65</u> |
| Balance of Profits carried forward  | <u>\$209,556.57</u> |

**GENERAL STATEMENT.****LIABILITIES.**

|  |                         |
|--|-------------------------|
| <b>To the Public:</b>  |                         |
| Notes of the Bank in Circulation   | \$ 4,409,351.00         |
| Deposits not bearing interest  | \$10,927,818.79         |
| Deposits bearing interest, including interest accrued to date of Statement                       | 34,470,355.27           |
|  | <u>45,398,174.06</u>    |
| Balances due to other Banks in Canada  | 31,799.58               |
| Balances due to Banks and Banking Correspondents elsewhere than in Canada and the United Kingdom | 604,135.42              |
| Acceptances under Letters of Credit  | 119,730.83              |
|  | <u>\$ 50,563,190.89</u> |
| <b>To the Shareholders:</b>  |                         |
| Capital Stock paid in  | \$ 3,600,000.00         |
| Reserve Fund   | \$ 3,300,000.00         |
| Balance of Profits carried forward   | 209,556.57              |
|  | <u>\$ 3,509,556.57</u>  |
| Dividend No. 110, payable 1st December, 1916   | 90,000.00               |
| Former Dividends unclaimed   | 597.00                  |
|  | <u>\$ 3,600,153.57</u>  |
|  | <u>\$ 57,163,344.46</u> |

**ASSETS.**

|  |                         |
|--|-------------------------|
| Current Coin   | \$ 860,142.93           |
| Dominion Government Notes  | 4,462,261.00            |
|  | <u>5,322,403.93</u>     |
| Deposit in the Central Gold Reserves   | 1,500,000.00            |
| Deposit with the Minister of Finance for the purposes of the Circulation Fund                            | 157,000.00              |
| Notes of other Banks   | 437,655.00              |
| Cheques on other Banks   | 2,337,085.36            |
| Balances due by other Banks in Canada  | 119,399.63              |
| Balances due by Banks and Banking Correspondents elsewhere than in Canada                                | 439,409.74              |
|  | <u>\$ 10,312,953.66</u> |
| Dominion and Provincial Government Securities, not exceeding market value                                | 569,458.46              |
| Canadian Municipal Securities, and British, Foreign, and Colonial Public Securities, other than Canadian | 6,635,336.88            |
| Railway and other Bonds, Debentures and Stocks, not exceeding market value                               | 641,982.10              |
| Call and Short loans (not exceeding thirty days) in Canada, on Bonds, Debentures and Stocks              | 3,844,635.08            |
|  | <u>\$ 22,604,366.18</u> |
| Other Current Loans and Discounts in Canada (less rebate of interest)                                    | 31,995,961.60           |
| Real Estate other than Bank Premises   | 485,606.99              |
| Overdue Debts, estimated loss provided for   | 178,194.68              |
| Bank Premises, at not more than cost, less amounts written off   | 3,942,595.55            |
| Other Assets not included in the foregoing   | 336,889.76              |
| Liabilities of Customers under Letters of Credit as per contra   | 119,730.83              |
|  | <u>\$ 57,163,344.46</u> |

JOHN S. HENDRIE, President.

J. P. BELL, General Manager.

**AUDITORS' REPORT.**

In accordance with the provisions of Sub-sections 19 and 20 of Section 56 of the Bank Act, we report to the Shareholders as follows:—

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

We have checked the cash and verified the securities of the Bank at the Chief Office, and at several of the principal Branches during the current year, as well as on November 30th, 1916, and have found that they agreed with the entries in the books of the Bank with regard thereto.

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

C. S. SCOTT,  
 E. S. READ,

Auditors,  
 Chartered Accountants.

Hamilton, 18th December, 1916.

**BRITAIN REQUISITIONS LEATHER.**

The British War Office has announced that the Army Council will take possession of leather of various classes which is now in stock in the United Kingdom, whether in the finished state or in course of production.

The leather to be requisitioned includes vegetable-tanned bends of 10 pounds and upward; vegetable-tanned butts of 20 pounds and upward; vegetable-tanned backs of 14 pounds and upward; chrome-tanned bends, butts and backs having a substance of 7 iron and upward; vegetable-tanned shoulders of 6 iron and upward on the cut edge; kip butts of 1½ m.m. substance and upward; kip sides of any finish, except semi-chrome; vegetable-grained upper leathers of 1½ m.m. substance and upward; chrome upper leather of 1½ m.m. substance and upward; upper leathers of 1½ m.m. substance and upward, manufactured by any other process which has been approved by the Chief Inspecting Officer.

**PRUDENTIAL INSURANCE.**

Although the Prudential writes insurance only in the United States and Canada, it has paid 1,184 war claims, for a total of \$364,000.

More than \$591,000,000 of paid-for life insurance was issued by the Prudential Insurance Company of America in 1916, and at the lowest expense rate in this company's history, according to the forty-first annual figures of the company. This issue represents a gain in insurance in force of over \$283,000,000.

The Prudential has 15,000,000 policies, representing a total of over \$3,000,000,000 insurance in force and, although one of the youngest, is the second company in the world in this respect.

**QUIT HAIL INSURANCE.**

According to a Chicago despatch, the Phoenix of London and the Imperial of New York have decided not to write hail insurance this season. As the Orient and Palatine have also retired from the line, this eliminates all the hail writing companies of the Northwestern General Agency Company of Minneapolis, which was operated by W. W. Laidlaw, formerly of the Northwest Fire and Marine. The General Agency Company wrote about \$500,000 of hail premiums.

**HOW INTERESTING.**

The merchant submarine Deutschland and her sister ships will carry on future voyages special mail. A special charge of two marks for a postcard or letter not exceeding twenty grams in weight will be levied, in addition to the regular international postage. A similar charge will be made for each further twenty grams, up to a maximum weight of sixty grams. As letters sent by the ordinary route take many months in transit, six months being not unusual, it is expected that the submarine post will be in heavy demand.

**BRITISH COLUMBIA LUMBER ORDER.**

Orders for British Columbia lumber aggregating over 16,000,000 feet, exclusive of an open order for all the spruce available suitable for aeroplane manufacture, have been let by the Imperial Government to tidewater mills of British Columbia within the past two or three weeks.

**UNION ASSURANCE SOCIETY LIMITED****OF LONDON, ENGLAND**

FIRE INSURANCE SINCE A.D. 1714

Canada Branch, Montreal:  
T. L. MORRISEY, RESIDENT MANAGER.North-West Branch, Winnipeg:  
THOS. BRUCE, BRANCH MANAGER.

AGENCIES THROUGHOUT THE DOMINION

**Success and Progress**

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

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

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

**NORTH AMERICAN LIFE ASSURANCE COMPANY**

"Solid as the Continent."

Head Office, Toronto, Ont.

Founded in 1804

**THE LAW UNION AND ROCK INSURANCE CO. LIMITED**  
OF LONDONASSETS 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 Independent Order of Foresters**

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

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

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

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

**WESTERN ASSURANCE COMPANY**

INCORPORATED 1851

Fire, Explosion, Ocean Marine  
and Inland Marine Insurance.

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

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

HEAD OFFICE - - - TORONTO, ONT.

W. R. BROCK, President.  
W. B. MEIKLE, Vice-Pres. & Gen. Man.QUEBEC PROVINCE BRANCH:  
61 ST. PETER STREET, MONTREAL  
ROBERT BICKERDIKE, Manager**The London & Lancashire Life and General Assurance Association, Limited**

Offers Liberal Contracts to Capable Field Men

GOOD OPPORTUNITY FOR MEN TO BUILD UP A PERMANENT CONNECTION

WE PARTICULARLY DESIRE REPRESENTATIVES FOR CITY OF MONTREAL

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

ALEX. BISSETT - - - Manager for Canada

Let the  
**DALTON**  
do your  
figure work



287 lines of business have passed their figuring problems over to the Dalton. Fewer workers are handling a greater volume of business—Dalton accuracy is eliminating the chance of human error—exact figures on every phase of business are being made available to executives—**instantly.**

Banks, manufacturing plants, retailers, the large corporation, as well as the small business—all shift the burden of their figuring work on to the Dalton—**profitably.**

**The Dalton Adding and Calculating Machine is Speediest—Simplest—Most Accurate—because it has only 10 Keys.**

Send for FREE descriptive booklet.



**UNITED TYPEWRITER CO., LIMITED**  
109 Notre Dame St. West,  
MONTREAL.

Head Office - - - Toronto, Ont.  
BRANCHES IN ALL CANADIAN CITIES.



## BLACK DIAMOND

FILE WORKS

Established 1863

Incorporated 1897

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

### G. & H. Barnett Co.

PHILADELPHIA, Pa.

Owned and Operated by  
NICHOLSON FILE COMPANY



#### PROFESSIONAL

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

HOWARD S. ROSS, K.C.

EUGENE R. ANGERS

### ROSS & ANGERS

BARRISTERS and SOLICITORS

Coristine Building, 20 St. Nicholas St., Montreal

#### DIVIDEND NOTICE.

### IMPERIAL BANK OF CANADA

#### DIVIDEND NO. 106.

Notice is hereby given that a Dividend at the rate of twelve per cent (12%) per annum upon the paid-up Capital Stock of this Institution has been declared for the three months ending 31st January, 1917, and that the same will be payable at the Head Office and Branches on and after Thursday the first day of February next.

The transfer books will be closed from the 17th to the 31st January, 1917, both days inclusive.

By Order of the Board,

E. HAY,

General Manager.

Toronto, 20th December, 1916.

### Bank of Nova Scotia

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

By order of the Board,

H. A. RICHARDSOY,

General Manager.

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

PROVINCE OF QUEBEC, District of Montreal. NO. 191.—IN THE SUPERIOR COURT. Donat Brodeur, of the City and District of Montreal, Joseph Barthelemy Berard, of the City of Outremont, said District, and Robert L. Calder, of Verdun, said District, all three, lawyers, having practised in partnership under the social name of Brodeur, Berard and Calder, Plaintiffs,

VS.

Armandine Martel, wife separate as to bed and board of Stanislas Bricault, of the City and District of Montreal, Defendant.

The Defendant is ordered to appear within one month.

Montreal, January 3, 1917.

L. E. GAGNON,  
Dep. Prothonotary.  
BRODEUR & BERARD,  
Advocates for Plaintiffs.

PROVINCE OF QUEBEC, District of Montreal. NO. 5393.—IN THE SUPERIOR COURT. Donat Brodeur and Jos. B. Berard, both lawyers of the City and District of Montreal, practising together, in partnership, under the name of Brodeur and Berard, Plaintiffs,

VS.

Eugene Gagne, of St. Jerome de Metabetchouan, district of Roberval, and now of place unknown, Defendant.

The Defendant is ordered to appear within one month.

Montreal, January 3, 1917.

L. E. GAGNON,  
Dep. Prothonotary.  
BRODEUR & BERARD,  
Advocates for Plaintiffs.

PROVINCE OF QUEBEC, District of Montreal. NO. 1526.—IN THE SUPERIOR COURT. Aguilino Antonacci, merchant, of the city and district of Montreal, Plaintiff,

VS.

Thomas Alexander Vipond, heretofore of the city and district of Montreal, and now absentee of this Province, Defendant.

The Defendant is ordered to appear within one month.

Montreal, December 21st, 1916.

T. DEPATIE,  
Dep. Prothonotary.  
BRODEUR & BERARD,  
Advocates for Plaintiffs.

#### FIRE RISKS IN LONDON TOTAL FOR THE YEAR £1,182,310,862.

The returns of the fire insurance companies writing in London, showing the gross amount of their liabilities assumed on property in the Administrative County of London during 1915, as required by the Metropolitan Fire Brigade Act, reveal the aggregate at risk in London by all companies as £1,182,310,862. The Alliance of London leads with a total of £186,002,077, and the Sun Insurance Office is second with a total of £116,297,722.

Lord Furness has left England to visit the Canadian and United States ports served by the steamships of the line which bears his name.

#### DIVIDEND NOTICE

## THE STANDARD BANK OF CANADA

### QUARTERLY DIVIDEND NOTICE No. 105

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

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

By Order of the Board,

G. P. SCHOLFIELD,  
General Manager.

THE MINISTER OF FINANCE

### REQUESTS

THE PEOPLE OF CANADA TO

### BEGIN NOW

TO SAVE MONEY FOR THE

### NEXT WAR LOAN

JAN. 9, 1917

DEPARTMENT OF FINANCE  
OTTAWA

### THE SHRINKING DOLLAR IN LIFE INSURANCE.

Extract from address by Alfred Hurrell, Associate General Solicitor, Prudential Insurance Company, before the Association of Life Insurance Presidents:

Owing to the operation of economic law we have the strange paradox that while the cost of life insurance the last ten years has steadily decreased, which means that a dollar will purchase more insurance to-day than it would have done ten years ago, the value of the same amount of insurance is less than it was ten years ago on account of the increase in the value of everything else which the insurance money provided is designed to buy. Conservative statistics from authoritative sources have recently been published which show that in the last ten years the purchasing power of the dollar has shrunk fully a third. This is when applied to the purchase of necessities only. If luxuries were included, the shrinkage would be much greater. In fact, one comparative compilation of prices as between this year and last as to some twenty-five articles of necessary food shows an increase in price of a third over last year. The meaning of this is very clear, and should be brought home to every one who by life insurance is honestly trying to provide an adequate estate to support his dependents.

Policyholders throughout this country must face the fact that the steady increase in the cost of living, for which neither they nor the companies are responsible, has steadily cut down the value of their insurance, even though the cost of the insurance itself has been cheapened by reduced premiums and the larger privileges and guarantees in the policies. Leaving out the abnormal increases from last year to this and considering only the normal increases of the last decade, a thousand-dollar policy of to-day is actually and relatively worth no more than was one for about \$500 in 1906. The solution of the problem, of course, is for the policyholder to insure his dependents also against this increased cost of living by providing an additional amount to cover it. Being responsible by solicitation for these policyholders in the first instance, it is the duty of the companies to drive this fact home to them by every conceivable means in their power.

The foregoing, it seems to me, is very obvious in view of the creeping palsy which in the last few years has laid hold of our dollar. Equally important, however, is the necessity of making the great majority of the policyholders see that in any event, and without reference to the definite depreciation of the dollar about which we have been talking, the insurance carried by them falls far short of being sufficient to discharge the obligation they owe to their dependents.

A new power plant, which will include a dam 100 feet high, cost \$100,000,000 and develop 2,000,000 horse power from Niagara Rapids, has been proposed by engineers and the proposal sent to the Canadian Government for approval.



SEPARATE SEALED TENDERS, addressed to the undersigned, will be received at this office until 4.00 P.M., on Monday, February 12, 1917, for the supply of: "Brooms and Brushes", "Chain", "Coal", "Hardware", "Hose", "Oils and Greases", "Packing", "Paint and Paint Oils", "Manilla Rope", "Wire Rope" and "Steam Pipe, Valves and Fittings", for the requirements of the Departmental Dredging plant in Ontario and Quebec during the fiscal year 1917-18.

Each tender must be sent in a separate envelope and endorsed: "Tender for Hardware, Ontario and Quebec", "Tender for Chain, Ontario and Quebec", etc., etc., as the case may be.

Persons tendering are notified that tenders will not be considered unless made on the printed forms supplied, and signed with their actual signatures. These forms can be obtained at the Department of Public Works, Ottawa.

Each tender must be accompanied by an accepted cheque on a chartered bank, payable to the order of the Honorable the Minister of Public Works, for amount stated in form of tender, which will be forfeited if the person tendering decline to enter into a contract when called upon to do so, or fail to complete the contract. If the tender be not accepted the cheque will be returned.

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

By order,  
R. C. DESROCHERS,  
Secretary.

Department of Public Works,  
Ottawa, January 17, 1917.

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



MR. H. B. SHAW,  
General Manager of the Union Bank of Canada.

### LIABILITY INSURANCE WRITTEN AT A LOSS IN UNITED STATES.

The principal American companies writing liability insurance in England, last year, excluding the few which have recently engaged in this branch, wrote some \$22,313,000 premiums and paid for losses and adjustments \$15,340,000. This is a loss ratio of 69 per cent. New York companies write nearly one-third of the total.

Foreign companies, including some with a relatively short experience, wrote \$8,344,609 premiums and paid \$5,591,066 losses and adjustment expenses, a loss ratio of 67 per cent.

The total liability premiums of companies which have been engaged in the business long enough to incur an average loss experience were \$30,657,000, with \$20,931,000 losses and adjustment expenses. This is an average loss ratio of more than 68 per cent. The increase in unearned premiums is not taken into consideration. The actual loss ratio is probably more than 70 per cent. of the earned premiums.

Management expenses are, on the average, more than 43 per cent. of the earned premiums for casualty companies. Apparently, last year, companies writing American liability business had an average loss and expense ratio of 113 per cent. of the earned premiums. This is indeed a bad showing.—Coast Review.

### ELECTED VICE-PRESIDENT.

At a meeting of the Directors of the Canadian Pneumatic Tool Company, Limited, recently held in New York, Mr. George J. Sheppard, of Montreal, who has been connected with the concern as manager for a number of years, was elected vice-president of the Company.

## PROSPEROUS and PROGRESSIVE

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

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

SUN LIFE ASSURANCE  
COMPANY OF CANADA  
HEAD OFFICE—MONTREAL

## THE Dominion Savings AND Investment Society

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

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

Dominion Savings Bldg.  
LONDON, CANADA.

## AN IDEAL INCOME

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

Union Mutual Life Insurance Company,  
Portland, Maine

on its

### MONTHLY INCOME PLAN

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

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

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

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

The largest general Insurance Company in the world

|                                       |              |
|---------------------------------------|--------------|
| Capital Fully Subscribed .....        | \$14,750,000 |
| " Paid Up .....                       | 1,475,000    |
| Life Fund and Special Trust Funds.... | 74,591,540   |
| Total Annual Income Exceeds .....     | 47,250,000   |
| " Funds Exceed .....                  | 142,000,000  |
| " Fire Losses Paid.. .. .             | 183,306,690  |
| Deposits with Dominion Government ... | 1,225,467    |

(As at 31st December, 1915.)

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

Applications for Agencies solicited in unrepresented districts.

J. MCGREGOR - - - Mgr. Canadian Branch  
W. S. JCFI. NG - - - Asst Manager

## A Free Course in "Salesmanship"

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

A GOOD LIVING WAGE

A PROFITABLE FUTURE

A PROVISION FOR OLD AGE

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

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

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

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

All correspondence strictly confidential.

CANADA LIFE ASSURANCE COMPANY

Head Office, Toronto.



## "A Little Nonsense Now and Then"

A crook arrested in New York, who claims to be a graduate of Harvard, picked a Yale lock with his fingers. But, then, Harvard men always would pick on Yale.—Southern Lumberman.

An old man went into a life insurance office and requested to be insured. The company asked his age. His reply was "ninety-four."

"Why, my good man, we cannot insure you," said the company.

"Why not?" he asked.

"Because you are ninety-four."

"What of that," cried the old man. "Look at the statistics and they will tell you that fewer men die after ninety-four than before it."—Tit-Bits.

An Irish Sergeant appeared one day in his camp with a pair of Turkish boots. His entire company, in great admiration, asked how he got them. "I killed a Turk and took them," he explained. Next day a little Wexford Irishman was missing. He was gone three days, and came back all beaten up. He was asked to explain his desertion. "I went out to get a pair of Turkish boots," he said, "but it took me three days, because I had to kill twenty-four Turks before I found a pair of boots that fit me."

A Tommy on furlough entered a jeweller's shop and, placing a much-battered gold watch on the counter, said, "I want this 'ere mended."

After a careful survey the watchmaker said, "I'm afraid, sir, the cost of repairing will be double what you gave for it."

"I don't mind that," said the soldier. "Will you mend it?"

"Yes," said the jeweller, "at the price."

"Well," remarked Tommy, smiling, "I gave a German a punch on the nose for it, and I'm quite ready to give you two if you'll mend it."—Tit-Bits.

A member of Congress, a new man and therefore not widely known in Washington, found himself one day in the hands of a barber of the proverbial talkative sort who was employed in a Washington hostelry. "You have a large head, sir," observed the barber, as he was trimming the locks of the statesman. "It is a good thing to have a large head, for the large head means a large brain, and a large brain is the most useful thing a man can have, for it nourishes the roots of the hair."—Toronto Saturday Night.

A huge eating competition had been held by some brawny sons of toil in a country town in Yorkshire, and one of the competitors had succeeded in disposing of a leg of mutton, a plentiful supply of vegetables, and a plum pudding, the whole washed down with copious draughts of ale.

He was unanimously declared the winner and was being triumphantly escorted home when he turned to his admirers, and said:

"Ah, say, lads, don't thee say nowt of this to my ole woman, or she won't gie me no dinner!"—Toronto Globe.

It was at the movies. An old couple sat together through a picture that included many views of the Wild West. In one of these a cattle "round-up" appeared, in which the dust rose in clouds from the parched ground, relates Everybody's. The old lady began to cough, and finally, when the neighbors began to fidget, her husband nudged her with his elbow: "Don't cough, Annie; can't you see you're disturbing the other folks?" His wife looked at him apologetically over her handkerchief, smothering a spasm, "I can't help it, Ephraim. The dust tickles my throat!"

Sandy McTavish was a highly skilled workman in a new aircraft factory. Therefore it happened one day that Sandy was asked if he would care to accompany the works aviator on one of his trial flights in a machine. Sandy, after some hesitation, agreed to do so. During the flight the aviator asked Sandy how he was enjoying it. "To tell the truth," answered the Scot, "I was rather be on the ground." "Tut, tut," replied the flying man, "I'm just thinking of looping the loop." "For heaven's sake don't dae that!" yelled the now very nervous MacTavish. "I've some siller in my vest pocket, an' Ah might lose it."

## Banque d'Hochelaga, FORTY SECOND ANNUAL REPORT

Gentlemen:—

Your Directors have the honor of submitting their report on the operation of the Bank for the fiscal year ending 30th November, 1916.

### Profit and Loss Account 30th November, 1916.

| CREDIT.  |                     |
|--|---------------------|
| Balance at credit of Profit and Loss Account, 30th November, 1915  | \$40,622.08         |
| Net Profits for the year ending 30th November, 1916, after deducting cost of Management, Interest accrued on Deposits, rebate of Interest on Discounts, and making full provision for all bad and doubtful debts | 546,011.90          |
|  | <b>\$586,633.98</b> |
| DEBIT.   |                     |
| Dividend paid 1st March, 1916  | \$90,000.00         |
| Dividend paid 1st June, 1916   | 90,000.00           |
| Dividend paid 1st September, 1916  | 90,000.00           |
| Dividend payable 1st December, 1916  | 90,000.00           |
|  | <b>\$360,000.00</b> |
| Carried to Officers' Pension Fund  | \$ 5,000.00         |
| Reserved for depreciation on investments and other assets  | 110,000.00          |
| War Tax on Bank Note Circulation to 30th November, 1916  | 36,386.13           |
| Written off Furniture at Branches  | 22,536.80           |
| Subscription to Canadian Patriotic Fund  | 10,000.00           |
| Balance at credit of Profit and Loss Account 30th November, 1916   | 42,711.05           |
|  | <b>\$586,633.98</b> |

BEAUDRY LEMAN, General Manager.

J. A. VAILLANCOURT, President.

### General Statement 30th November, 1916.

| LIABILITIES.  |                        |
|---|------------------------|
| Capital Stock paid in   | \$4,000,000.00         |
| Reserve Fund  | 3,700,000.00           |
| Unclaimed Dividends   | 4,826.17               |
| Dividend payable 1st December, 1916   | 90,000.00              |
| Balance of Profit and Loss Account carried forward  | 42,711.05              |
|   | <b>\$7,837,547.22</b>  |
| Notes of the Bank in Circulation  | \$4,154,382.00         |
| Deposits not bearing Interest   | 5,338,234.51           |
| Deposits bearing Interest, including Interest accrued to date of statement  | 24,242,305.61          |
| Balances due to Banks and Banking Correspondents in United Kingdom and Foreign Countries                                    | 234,728.16             |
| Acceptances under Letters of Credit   | 54,330.41              |
|   | <b>\$34,023,980.69</b> |
|   | <b>\$41,861,527.91</b> |
| ASSETS.   |                        |
| Gold and other Current Coin   | \$392,592.47           |
| Dominion Notes  | 3,953,467.75           |
|   | <b>\$ 4,346,060.22</b> |
| Deposit with the Minister of Finance for the purpose of the Circulation Fund  | 171,467.29             |
| Deposit in the Central Gold Reserves  | 700,000.00             |
| Notes of Other Banks  | 259,562.00             |
| Cheques of Other Banks  | 1,294,929.35           |
| Balances due by Other Banks in Canada   | 925,598.49             |
| Balances due by Banks and Banking Correspondents elsewhere than in Canada   | 1,715,534.40           |
|   | <b>\$9,413,151.75</b>  |
| Dominion and Provincial Government Securities, not exceeding market value   | \$96,483.60            |
| Canadian Municipal Securities, and British, Foreign and Colonial Securities other than Canadian, not exceeding market value | 3,677,634.87           |
| Railway and other Bonds, Debentures and Stocks, not exceeding market value  | 304,307.00             |
|   | <b>4,878,425.47</b>    |
| Call and Short (not exceeding thirty days) Loans in Canada on Stocks, Debentures and Bonds                                  | 1,686,053.62           |
|   | <b>\$15,977,630.84</b> |
| Loans to Cities, Towns, Municipalities, Parish and School Districts   | 1,275,723.53           |
| Other Current Loans and Discounts in Canada (less rebate of interest)   | 22,259,301.10          |
| Overdue Debts, estimated loss provided for  | 148,255.82             |
| Liabilities of Customers under Letter of Credit as per contra   | 54,330.41              |
| Real Estate other than Bank Premises  | 227,074.93             |
| Mortgages on Real Estate sold by the Bank   | 106,533.48             |
| Bank Premises at not more than cost, Mortgages deducted (less amounts written off)  | 1,557,402.65           |
| Other Assets not included in the foregoing  | 255,275.15             |
|   | <b>\$41,861,527.91</b> |

BEAUDRY LEMAN, General Manager.

J. A. VAILLANCOURT, President.

#### AUDITORS' CERTIFICATE.

We report to the Shareholders of the Banque d'Hochelaga:

That we have checked the cash and verified the securities of the Bank at the Chief Office at 30th November, 1916, as well as at another time, as required by Section 56 of the Bank Act, and found they agreed with the entries in the books in regard thereto; and that during the year we also made examinations of the accounts of some of the principal branches.

That we obtained all the information and explanations required by us and that in our opinion the transactions of the Bank which have come under our notice have been within the powers of the Bank.

That we have examined the books and accounts at the Head Office and have compared the above Balance Sheet with these books and with the certified returns from the branches and that, in our opinion, the Balance Sheet is properly drawn up so as to exhibit a true and correct view of the state of the Bank's affairs according to the best of our information and the explanations given to us, and as shown by the books of the Bank.

S. ROGER MITCHELL, C.A.,  
Of Marwick, Mitchell, Peat & Co.,  
GEO. GONTHIER, L.L.A.,  
of Gonthier & Midgley. Auditors.

Montreal, 14th December, 1916.

## Conditions in the West

Anti-Wheat Speculation Bill Introduced.—Slow Wheat Markets.—  
Grain Congestion at the Head of Lakes.—Flax Statistics.—  
Labor Situation.

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

At the present session of the Manitoba Legislature, D. A. Ross member for St. Clements and a prominent real estate man, has given notice of introducing a bill to make speculation in options illegal. This bill will be supported by G. H. J. Malcom, one of the members for a rural constituency and a prominent grain grower.

The extremely high prices of wheat during the present season have tempted the outside public to an unusual degree, and the very rapid fluctuations have resulted in many of them losing their money, and they are correspondingly sore. Mr. Malcom suggests the imposition of a tax on speculators, claiming that if they were to pay some such sum as \$25 before they could trade, it would have a deterrent effect. There is no manner of doubt that the farmers have been among the worst sufferers in the matter of reckless speculation this year. Days when experienced grain men never dreamed of touching the market, the outside speculator and more especially the farmer, rushed in, and of course they are the people who invariably squeal the loudest when they are hurt.

### Millers.

H. B. Dobell, western manager for the Ogilvie Milling Company, gave evidence before the commission inquiring into the high cost of living to day. He denied stoutly that there was any collusion among the millers to raise the prices, and blamed the advance in flour entirely to the high cost of wheat. In the course of his evidence, Mr. Dobell informed the commission that his company had exported every barrel of flour made since 14th December, he was silent when asked if these were war orders, but stated later that during the past year, from 40 to 50 per cent of all flour milled by them had been exported. He affirmed that if the small bakers were to continue in business, the price of the loaf would have to go up.

### Markets.

The markets in the last two days have been materially affected by the submarine activities, and the market is extremely dull and narrow. The writer has been on the Winnipeg Exchange for nearly 16 years and has never before known of so many prominent men being off the trading floor during January. The fact that buying is done almost through one company is not wholly responsible for the dullness, some of it is due to the tremendous congestion of traffic and the slow movement of grain. The following dispatch just received from Port William, Ont., tells its own tale: "There is a congestion of grain at the head of the lakes, all the elevators are full up and it is impossible therefore to unload any more cars at the grain plants. Cars are being spotted in the roadway yards designated to which elevator they are to be switched when there may be room for the unloading of the grain."

The reason for this congestion is that there is so much poor grade wheat coming down and it takes up more room in the bins than wheat of better grade hitherto has.

It is not permissible now to mix any of this grain, each grade requiring a separate bin. In the meantime, the railways by all rail shipments are doing their best to relieve the situation, the Canadian Pacific is handling about 75 cars a day east, and the Canadian Northern a similar number, and the Canadian Government Railway about 125 cars a day.

Weather has been very bad in the country and receipts of country elevators have been small. Charles H. Thornton who has for some years been regarded as one of the grain exchange authorities on flax, has issued some very interesting figures showing that in 1913 the shipment of flax from India, Argentina, United States, Canada and Russia amounted to the grand total of 73,980,000 bushels. In that year Argentina contributed over 41,000,000 bushels while in 1916 her contribution had shrunk to a little over 18,000,000. Figuring the Canadian surplus in store in terminals and in the farmers' hands at 4,900,000 bushels, the available seed in sight is only 23,400,000 in the United States, Argentina and Canada. This means that there is a shortage of 4,000,000 to 5,000,000 bushels based on

average requirements of 7,000,000 to 8,000,000 bushels shortage, as compared with the crop of 1915. Taken from any point of view it looks as if a moderate acreage in flax would be a good thing for the coming season.

### Labor Situation.

Last week the various breed associations of Manitoba and the Manitoba Grain Growers' Association held their annual meetings in Brandon, and the Breeders Association of the Province of Saskatchewan held their annual meeting in Saskatoon. At all of these meetings the labor situation was discussed. The Manitoba breeders passed a very strong resolution asking for conscription, in some form of foreign labor. The foreign laborer of every nationality has been taking full advantage of the condition created by so large a number of our men having gone to war. They are practically refusing to work at all in the winter, and are asking exorbitant wages for the coming spring and the situation is serious in view of the active need for production.

There is a fair amount of summer fallow land ready for seed, but there is practically no fall ploughing, the season having been wet and this means that even under the most favorable conditions acreages in wheat should be curtailed, to some extent this will not be any special drawback if there is time and help to get the land in good shape to seed to coarse grains; but should the spring be late and unfavorable it will mean that all varieties of cereals will be curtailed. Much of the help which is in the country, even if willing to work at reasonable wages, is not of a high degree of efficiency and the amount that will be accomplished will be considerably less than from the same number of workers of a higher degree of efficiency, and with the spur of a really loyal desire to produce the country's best. As one man very aptly put it, "The best foreign worker you can hire is a mighty poor substitute for your own son."

Some idea of the way in which the farmers of Manitoba have responded to the call for men for the army may be gathered from the fact that in one breeders' meeting where there were 45 men present, 40 of them had sons at the front.

### Live Stock.

Livestock prices have been soaring and new high records have been made especially in hogs. A large number of hogs sold this morning at \$13.25 per cwt., while yesterday over 500 changed hands at \$12.15. These high priced hogs were mainly purchased for Toronto packing houses. Beef prices have also been exceptionally high, and there have been a number of sales at \$9 per cwt. for steers, cows have sold freely from \$7.50 to \$8, and bulls from \$6.25 to \$7.50, while a number of stockers and feeders have changed hands at \$6.50. The farmers are, of course, rejoicing at the high prices, but the city consumer with a wallet that does not expand are really appalled at the price. Bacon retails, sliced, at 46 cents per pound while loin chop of pork sells at 33 cents.

### Scottish Co-operative.

It has been known in grain circles for some time that when the directors of the English and Scottish Co-operative Societies were in Canada last fall, part of their business was to secure land on which their own company would produce crops. During the past week they announce the success of their negotiations. They have purchased in Saskatchewan, 27 miles south of Rosetown on the Saskatchewan-Calgary branch of the Canadian Northern, 10,000 acres. The major portion of this has already been under cultivation, it having been farmed by an American company. All the land which is ready, and which can be ploughed next spring will be seeded, mainly in wheat, though there will be a proportion of oats, barley and flax. This is to be a straight "producer to consumer" proposition as the grain will be shipped through the companies' own elevators to their own mills in Scotland and England for grinding. It is quite likely that the land purchases of this company will be extended in the very near future, they have looked at land both in Manitoba and Alberta and it is generally understood that they hope to acquire land in both of these provinces as well as in Saskatchewan.

The farm in Saskatchewan will be under the di-

**Empire Cotton Mills Welland, Ontario Limited**

Manufacturers of

**Textiles, Sail Duck, Bag Cloths**

and

**Seamless Bags**

Write for Quotations

rect management of Superintendent Howes, who is an American of English descent, and the general supervision will be in charge of George Fisher, the Canadian representative of the Scottish Co-operative, who has charge of the companies' business on the Winnipeg Grain Exchange.

### GAIN IN GRAIN TRADE ON GREAT LAKES.

The tremendous business handled last year by lake vessels is emphasized by the annual report of the Lake Carriers' Association, which declares "that the ore movement in 1916 was 64,734,198 tons, as against 49,070,478 tons in the hitherto banner year of 1913."

The report adds, however, that, although contract ore rates were increased 10 cents a ton a last year, "the boats made very little money," because "operating expenses were so greatly increased."

It is stated, however, that "the outlook for 1917 is roseate," because, after a lapse of sixteen years, the ore rate of \$1 a ton from ports at the head of Lake Superior has been re-established.

The Great Lakes grain trade in 1916 totalled 363,999,156 bushels, a decrease of 22,166,896 bushels from 1915. The report adds that the grain rates were the most "significant feature of the year's trade" as the average rate per bushel for the season was 4 1/4 cents, compared with 2 1/4 cents the preceding year.

Seventy-three lives and fourteen vessels were lost on the Great Lakes during the season of 1916. This heavy casualty record is the most serious since 1913, when a fearful November storm claimed the greatest toll of lives and of ships in the history of inland navigation.

### TO DEVELOPE MINERAL RESOURCES IN BRITISH COLUMBIA.

Mr. H. C. Brewster, Premier of British Columbia, states that he has been successful in securing financial assistance towards the development of the immense mineral resources of the province. The matters which required immediate attention were the establishment of a steel plant which, with the vast amount of ore available, could be kept in operation for an indefinite time, and the erection of a smelting plant, which would greatly reduce the quantity of copper now going to the United States refineries.

### THE NATIONAL TRUST CO.

The financial statement of National Trust Company, Ltd., for 1916 shows further expansion of a substantial sort, total assets under the company's administration, rising to \$69,197,054, against \$59,332,485 at the end of 1915. They are more than three times the assets reported by the company seven years ago.

The principal gain last year was in "estates, trust and agency" accounts, the funds and investments under this heading standing at \$58,651,752, an increase of well on to \$9,500,000. The company's guaranteed trust account also continued to grow.

In the Superior Court, at Quebec, Hon. Justice Dorion rendered judgment in the case of Geo. Tanguay, Ltd., against the Great Northwestern Telegraph Company, an action claiming \$1,237.50, damages from defendant for the non-transmission of a telegram and by which fact the plaintiff claims he suffered losses. The court dismissed the claim with costs.

**MILLING AND BAKING VALUES OF GRADED WHEAT.**

Further tests designed to show the relative milling and baking values of the different grades of wheat have been conducted by Mr. F. J. Birchard and Mr. A. W. Alcock of the Dominion Grain Research Laboratory, and from these results it is possible to form a very close estimate of the relative values of the higher grades and also special No. 4 and special No. 5, and to make a fair approximation of the value of the others. In the case of the higher and special grades, the differences in the baking values are small and relatively unimportant, they scarcely need to be considered, so that the values of the wheat should be very nearly proportionally to the yields of flour obtained. The comparative yields of flour and offal recalculated to a basis of 13.5% moisture content was found to be as follows:

| No. Grade. | P.C. Cleaning loss. | P.C. Bran and Shorts. | P.C. Flour. | P.C. Milling loss. |
|------------|---------------------|-----------------------|-------------|--------------------|
| 1          | 2.1                 | 22.4                  | 72.6        | 2.9                |
| 2          | 2.4                 | 24.1                  | 71.7        | 1.8                |
| 3          | 3.2                 | 25.1                  | 68.8        | 2.9                |
| 4          | 3.2                 | 25.3                  | 70.1        | 1.4                |
| 4*         | 3.0                 | 29.4                  | 65.6        | 2.0                |
| 5          | 3.0                 | 28.1                  | 67.2        | 1.7                |
| 5*         | 2.4                 | 31.0                  | 64.3        | 2.3                |

(\*—Special.

Distributing the milling loss in the proportion of the products obtained, and including also the test weights, this table becomes—neglecting fractions:

| No. Grade. | Test weights. | Offal. | Flour. |
|------------|---------------|--------|--------|
| 1          | 6             | 25     | 75     |
| 2          | 62            | 27     | 73     |
| 3          | 59.5          | 29     | 71     |
| 4          | 59            | 29     | 71     |
| 4 Special  | 54            | 33     | 67     |
| 5          | 58            | 31.5   | 68.5   |
| 5 Special  | 52            | 34     | 66     |

The slight differences obtained in the second series of tests as compared with those previously reported are partially accounted for by the fact that the tests were made on average samples as received by the Inspection Department, and these samples naturally vary slightly from month to month. It must also be remembered that in all scientific work a certain amount of allowance must be made for the unavoidable error due to the nature of the experiments.

It would thus appear that no great error would be made in estimating the value of the grades, Nos. 1, 2, 3, Special No. 4 and Special No. 5 on the basis of the yields recorded above. In the case of commercial No. 4 and commercial No. 5, the somewhat inferior baking qualities of the flour produced from the wheats must be considered. Commercial No. 4 gave a loaf only very slightly inferior to the others as regards, loaf volume, colour, texture, shape and general appearance. A greater difference was noticed in the value of commercial No. 5, however, particularly

as regards, volume, colour and general appearance of the loaf, so that in estimating the value of this grade, a somewhat greater allowance must be made for its inferior baking qualities as compared with the higher grades. It would be very easy, however, to magnify the importance of these differences, since it has been amply demonstrated that it is possible to produce bread of fair quality from any of the above grades without difficulty.

Particular attention should also be drawn to the very high baking quality of the special grades, while the yields are smaller than with the contract grades, the baking qualities are superior in every particular but one,—that of colour. As regards texture, shape and general appearance of the loaf, the grades Special No. 4 and Special No. 5 easily excel all the others; the colour, however, of the bread was uniformly of a slightly darker shade, and this was the only point of inferiority which could be observed.

In fairness to the miller it should be pointed out that in milling the lower grades, particularly the specials where the yields are much lower, the flouring capacity of the mill is proportionately reduced while his expenses are not diminished, so that the actual milling value would be somewhat less for these grades than would appear from the table above.

**INSURANCE IN KINGSLAND, N. J., LOSS.**

The Canadian Car and Foundry Company underwriters state they carried about \$2,000,000 fire insurance on the entire risk and contents on all important buildings which were equipped with automatic sprinklers. The policies covered the fire, and not the explosion hazard. They have the 90 per cent. co-insurance clause and also the sprinkler clause. In view of the under insurance the coinsurance clause may make a decided difference to the underwriters.

All buildings were one-story, metal on wooden studs, without sheathing, gravel roofs on joists; non-combustible floors. The raw stock consisted of machined shells and parts, together with black powder, smokeless powder and trinitrotoluol. The smokeless shell is loaded with black powder in section No. 2, which is the most hazardous section in the group. Each employe had approximately 2 ounces of powder, and there were about 200 such containers in the building. One day's supply of powder was kept in a magazine inside the building, possibly four kegs at a time; the main supply in detached magazine. When shrapnel was loaded it was taken to the packing house and packed in cases together with the brass shells and necessary number of bags of smokeless powder. These are not assembled at the plant, but shipped together in same case, 8 in each case.

The high explosive shells were loaded in buildings Nos. 10, 11 and 12, and the trinitrotoluol is melted and poured into the shells, after which these were taken to the high explosive packing and ship-

ping building and assembled in cases in the same manner as the shrapnel. Both the shrapnel and the high explosive loading buildings have but a small percentage of the entire value, probably not over 2 per cent. in either case, the entire contents value being \$2,000,000. The packing case storage building, No. 22, together with the packing and shipping sheds, Nos. 1 and 19, and other main buildings in this group were under standard sprinkler protection. The entire property was surrounded by a board fence surmounted by a barbed wire charged with 400 volts of electricity. There were numerous guards armed with rifles stationed in sentry boxes about the property.

Company managers have been somewhat afraid of munitions risks for some time past, and it is quite likely that this disaster will result in making it almost impossible to cover any sizable munitions risk with fire insurance. It is also very probable that many outstanding policies on such hazards will be cancelled. A drastic tightening of an already difficult insurance market for munitions lines will undoubtedly take place.

Company managers were much interested in the company's loss, and much the more so as efforts were made to suppress the list of insurance. One company interested, however, furnishes the following, which embraces nearly all of the insurance.

|  |           |
|--|-----------|
| Globe & Rutgers of N. Y. . . . .                                       | \$503,500 |
| North River, United States, Richmond, Williamsburgh City, etc. . . . . | 425,000   |
| Liverpool and London and Globe . . . . .                               | 180,000   |
| Home of New York . . . . .   | 150,000   |
| North British and Mercantile . . . . .                                 | 120,000   |
| Scottish Union and National . . . . .                                  | 120,000   |
| Aetna of Hartford . . . . .  | 80,000    |
| Continental . . . . .  | 20,000    |
| Fidelity-Phenix . . . . .  | 20,000    |
| Northern Assurance Co., London . . . . .                               | 40,000    |
| National of Hartford . . . . .   | 50,000    |
| Insurance Company of North America . . . . .                           | 77,500    |
| Rhode Island . . . . .   | 20,000    |
| Western Assurance Co., Toronto . . . . .                               | 45,000    |
| New York Underwriters Agency . . . . .                                 | 50,000    |
| Merchants Fire of New York . . . . .                                   | 85,000    |
| National Union of Pittsburg . . . . .                                  | 25,000    |

It is understood that the Russian Government had over \$5,000,000 worth of munitions stored at the plant, and that these were either uninsured or else covered abroad. It is also thought that Lloyds, London, underwriters have a large amount at risk. The insurance placed in this country amounts to about \$2,300,000, and the total loss is certainly far above \$10,000,000.

Apparently there will be very little, if any, salvage, so the ninety per cent. co-insurance clause on the policies will be of as little benefit to the fire insurance companies as the automatic sprinklers were. It is clear that the loss above the insurance must be at least five million dollars, and may be much more.

**TO INVESTORS**

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

**DOMINION OF CANADA DEBENTURE STOCK**

IN SUMS OF \$500, OR ANY MULTIPLE THEREOF

Principal repayable 1st October, 1919.

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

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

Proceeds of this stock are for war purposes only.

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

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

DEPARTMENT OF FINANCE, OTTAWA  
OCTOBER 7th, 1916.

# COMMODITY MARKETS

## Week's Wholesale Review

Following the quiet period that always occurs after the holiday activity, a brisker feeling is becoming apparent in all lines of trade. Collections on the whole are good and money is moving freely. Dry goods houses report satisfactory returns from their salesmen who are on the road with samples of spring goods. Supplies of cotton fabrics are reported as satisfactory, but the problem of obtaining woolsens for the autumn trade is becoming increasingly difficult. Printed cottons have advanced in price and wadding is up 2 cents a pound. Furs are pretty well cleaned up for the season, and the leather trade, prices continue to advance. Foot and shoe makers in many cases appear to have laid in large stocks on the advancing market. Leather skins have advanced and now realize \$3.80. In the hardware trade supplies are again in many lines particularly in the case of cutlery where prices have advanced materially. Changes in price are also noted in all lines of heavy hardware and builders' supplies. General foundry men are not very busy, and the movement in pig iron is comparatively light. In grocery circles, the outstanding feature is a decline of 10c a cwt. on sugar in sympathy with the quiet market in New York. Excellent crop reports come from Cuba and the Southern States, and a very heavy yield is anticipated in view of the larger acreage under cultivation this year. Flour is firm in sympathy with wheat. Millfeeds have advanced \$1.00 a ton. The recent embargo on freights west of Fort William seriously hampered many lines of trade last week causing many flour mills to close down temporarily. The embargo is now lifted and trade is again moving in its accustomed channels. Outgoing ocean freights are also very difficult to obtain as the Government has requisitioned 85 per cent of available space. This is greatly hindering export trade, particularly in cheese and flour.

### COUNTRY PRODUCE.

**EGGS:** The market for new laid eggs is steady. Supplies are not very large as cold weather prevails all over Ontario and Quebec and seems to have curtailed production. This time last year we were receiving fully four times as many as we are now. Storage eggs are higher in price. Chicago houses are quoting around 45c to 50c and Canadian dealers state they will soon have to buy in that market to replenish their stocks.

**Poultry:** There is no change to note in dressed poultry. Supplies are not very large and prices will be fairly good until new supplies come in by the spring. A good demand for fresh killed fowls is reported.

**BEANS:** The market is quiet. There is a tendency to report a good crop of beans. There is a shortage of beans before long as farmers are accustomed to reduce some of their holdings, especially the spring. Imported beans are in fair supply, but of varying quality.

**POTATOES:** An advance of 10c was noted during the week on potatoes, owing to heavy buying in this market on the part of American operators. Receipts have almost dropped to nil owing to the cold weather, total receipts for the week at Montreal amounting to only 16 bags.

|  |           |
|--|-----------|
| <b>Eggs:</b>                                 |           |
| Special New Laid                             | 0.50      |
| Extras                                       | 0.45      |
| No. 1  | 0.42      |
| <b>Poultry—Live:</b>                         |           |
| per pound.                                   |           |
| Fowls, 5 lbs. and over                       | 0.20 0.21 |
| Fowls, small                                 | 0.17 0.18 |
| <b>Fresh Killed Poultry:</b>                 |           |
| Turkeys                                      | 0.29 0.30 |
| Old Turkeys, cocks                           | 0.27 0.28 |
| Do., Roasting                                | 0.29 0.30 |
| Fowls, hens                                  | 0.17 0.18 |
| Do., roosters                                | 0.15 0.16 |
| Chickens                                     | 0.21 0.22 |
| Do., Crate fattened                          | 0.23 0.24 |
| Squabs, per pair                             | 0.55 0.43 |
| Geese  | 0.18 0.17 |
| Ducks  | 0.17 0.18 |
| <b>Maple Products:</b>                       |           |
| Pure maple syrup, quart cans                 | 0.40      |
| Pure maple syrup, 9-lb. tins                 | 1.00 1.10 |
| Extra choice syrup, 12-lb. tins              | 1.25 1.30 |
| Pure Maple sugar, per lb.                    | 0.12 0.14 |
| <b>Potatoes:</b>                             |           |
| Green Mountains, per bag of 80 lbs. ex-track | 2.05      |

|   |           |
|---|-----------|
| Do., to jobbers, ex-store per 80lb. bag   | 2.40      |
| Quebec's, per bag of 80 lbs. ex-track     | 1.95      |
| Do., to jobbers, ex-store, per 80 lb. bag | 2.25      |
| <b>Beans:</b>                             |           |
| Can. hand-picked car lots                 | 6.75 7.30 |
| Three-lb. pickers                         | 6.50 6.65 |
| Five-lb. pickers                          | 6.00 6.25 |
| Six to seven-lb. pickers                  | 5.00 5.90 |

### DAIRY PRODUCE.

**BUTTER:** A fairly good trade in butter was reported last week, both on local Montreal account and for shipment to outside points. Prices for choice fall make in round lots ranged from 42c to 44c, winter creamery bringing 33c to 41c as to quality. Production is at a very low ebb as is always the case at this season, the receipts for the past week amounting to only 1,431 packages. Advices from England report a somewhat easier feeling in butter, with no actual change in prices to note.

**CHEESE:** The cheese market is very strong in sympathy with the advancing prices quoted by the Liverpool public cable, which have continued to rise steadily of late until finest Canadian white is quoted at 141s, and colored at 142s as we go to press, Monday. These are record prices in the cheese trade. Owing to the small amounts of cheese coming forward and the fact that stocks held in store in Montreal are almost all held for the Government or Old Country firms, the export trade is mainly for American cheese at the present time. Of the receipts of cheese at Montreal the greater part are from the United States. There has been a certain amount of business put through for export in New York State and Wisconsin cheese, lack of freight space being a deterrent factor. No freights are offering for London or Avonmouth, the only available space being to Glasgow and Liverpool. This of necessity is very limited as the Government has requisitioned 85 per cent of all cargoes for some time past, leaving only 15 per cent for all regular merchandise. Rates remain unchanged, however, at \$1.50 per 100 lbs., although New York and Boston quote \$2.00.

|  |               |
|--|---------------|
| <b>Butter:</b>                         |               |
| Chabre Full Creamery Solids            | 0.43 0.43 1/2 |
| Winter Creamery                        | 0.42 0.42 1/2 |
| Chabregrade Creamery                   | 0.40 0.41 1/2 |
| Dairy butter                           | 0.37 1/2 0.38 |
| <b>City Selling Prices to grocers:</b> |               |
| Creamery Solids                        | 0.44 0.45     |
| Do., Prints                            | 0.45 1/2      |
| Do., No. 2                             | 0.43          |
| Do., Prints                            | 0.42 1/2      |
| <b>Cheese:</b>                         |               |
| Finest, Western                        | 0.25 0.25 1/2 |
| Fine Eastern                           | 0.24 0.24 1/2 |
| Winter Make                            | 0.20 0.22     |
| <b>City Selling Prices to grocers:</b> |               |
| Swilton cheese                         | 0.26 0.27     |
| Large                                  | 0.25 0.26     |
| Twins                                  | 0.25 1/2      |
| Qui hoc Cheese                         | 0.24          |
| Canadian Strong Cheese                 | 0.25 0.26     |
| Roquefort                              | 0.65          |

### FRUIT AND VEGETABLES.

**FRUIT:** Trade in fruit is showing more activity than has been the case of late. Lemons are firmer, an advance of about 75c a box being recorded at shipping points which will be reflected in this market in a week or ten days when present holdings are used up. Oranges are similarly situated, as the frosted fruit on the California market is getting pretty well cleaned up and about 50c to 75c more is being asked for sound goods. Apples are moving more freely and a strong market is reported, as stocks held are very light this year. Only small quantities of Nova Scotia apples are arriving owing to the shortage of refrigerator cars, and the danger of frost in the box cars. Spies are in good demand and prices have increased to \$8.50 to \$9.00 a barrel. Bananas are firm with no change in price to note. Cranberries are a little cheaper, selling at \$9.00 to \$11.00 a bbl.

**VEGETABLES:** A keen demand is reported in this market for such root vegetables as turnips, carrots, onions and potatoes from American and Western Ontario buyers. Shipments of cabbage are being made to New Orleans, and New York and Detroit are buying up turnips and potatoes. Potatoes are also going to Bermuda as the crop on the islands does not mature for about two months yet. Spanish onions are scarce and reds are slightly higher. California celery has been arriving in poor condition of late owing to the dif-

ficulties of transportation in this weather. Florida stock is just beginning to arrive, but this grade is never considered equal to good California celery. Current quotations are as follows:

|                                      |            |
|--------------------------------------|------------|
| <b>Fruit:</b>                        |            |
| Cranberries, per bbl.                | 9.00 10.53 |
| Cranberry pippin, per bbl.           | 5.00       |
| Greenings, per bbl.                  | 5.50       |
| Pewawukies, per bbl.                 | 4.00 4.50  |
| Mackintosh Reds, per bbl.            | 5.50 7.00  |
| Fameuse, per bbl.                    | 5.00 6.00  |
| Spies, per bbl.                      | 8.50 9.00  |
| Bananas, per bunch                   | 2.50 3.00  |
| Grapes, Aimeria, per keg             | 5.00 7.50  |
| Grapefruit, Florida and Cuban        | 3.25 3.50  |
| Do., Jamaica                         | 3.00       |
| Lemons, Palermo, per box             | 2.75 3.50  |
| Oranges, California, Navel, per box  | 2.75 3.50  |
| Onions, Winter Nellis, per box       | 4.50 5.00  |
| <b>Vegetables:</b>                   |            |
| Artichokes, per bag                  | 1.25       |
| Beans, per bag                       | 1.25       |
| Beans, American, per hamper          | 4.00 4.50  |
| Brussels Sprouts, per qt.            | 0.18 0.20  |
| Cabbage, Montreal, per bbl.          | 4.50 5.00  |
| Carrots, per bag                     | 1.00       |
| Cauliflower, California, per doz.    | 3.00       |
| Celery, Florida, per crate           | 5.00       |
| Do., California, per crate           | 9.00 9.50  |
| Horse Radish, per lb.                | 0.20       |
| Boston Lettuce, head, per box        | 1.75       |
| Do., curly, per doz.                 | 0.75       |
| Onions, Spanish, per case            | 5.75 6.50  |
| Do., red, per 75 lb. bag             | 3.00 3.50  |
| Potatoes, Quebec, per 80 lb. bag     | 2.25       |
| Do., Green Mountains, per 80 lb. bag | 2.40       |
| Do., Sweet, per basket               | 2.50       |
| Parsley, per doz. bunches            | 0.50 1.00  |
| Salsify, per doz. bunches            | 0.60       |
| Turnips, per bag                     | 1.00       |
| Tomatoes, hothouse, per lb.          | 0.25 0.30  |
| Cuban, per crate                     | 6.00       |

### FLOUR, CEREALS AND MILLFEED.

The flour trade is showing somewhat more activity after the dull holiday season, and considerably more business could be put through if it were not for the hindrance caused by congestion in both ocean and railway freights. Many mills in the West were forced to close down last week for several days owing to the railway embargo, but latest advices report business again on a normal basis with railway freight service unrestricted from January 22. Several of the mills report large offers from their correspondents in the United Kingdom which they have been obliged to refuse owing to the impossibility of obtaining transportation. Wherever space was secured good sized sales, amounting from 12,000 to 15,000 sacks were put through for February-March shipment, at freight rates from 55c to 65c per 100 lbs. No change has taken place in the price of flour, but a firmer feeling is apparent in sympathy with the higher level of the wheat market.

The trade in winter wheat flour is also more active, and the market is firm although prices as yet show no change. Quotations from the Ontario mills show a tendency to advance and higher prices in this market are predicted for the near future in view of the fact that when winter wheat was selling in November at the same price as it is to-day the flour was bringing \$4.75 to \$4.95, as compared with \$4.10 to \$4.25 to-day.

Millfeeds are strong and the price of bran and shorts have advanced \$1.00 a ton. Farmers appear to be feeding their cattle heavily during the cold weather and hence a larger demand than usual, especially for shorts. Straight car lots of feed are still selling at a premium of from one to three dollars a ton.

Rollied oats have been very unsettled during the past week, some of the mills cutting prices down to \$3.25 a bag. A good demand is reported, however, and the market for the raw material is as strong as ever.

Current quotations are as follows:

|                          |                 |           |
|--------------------------|-----------------|-----------|
|                          | Montreal.       | Toronto.  |
|                          | Per 98-lb. bag. |           |
| <b>Flour:</b>            |                 |           |
| First patents            | 5.00            | 4.95      |
| Second patents           | 4.75            | 4.70      |
| Strong Bakers            | 4.65            | 4.60      |
| Feed Flour               | 2.85            | 2.70 2.80 |
| Winter wheat flour,      |                 |           |
| 90 per cent.             | 4.10 4.25       |           |
| <b>Cereals:</b>          |                 |           |
| Rollied Oats, 90-lb. bag | 3.50            | 3.60      |
| Oatmeal, 98-lb. bag      | 3.85            | 3.90      |
| Graham flour, 98-lb. bag |                 |           |
| Bag                      | 4.95            |           |
| Rollied wheat 100-lb. b. | 3.60            |           |
| Rye flour, 98-lb. bag    | 3.75            | 4.00      |
| <b>Feeds:</b>            |                 |           |
| Bran                     | 33.00           | 34.00     |
| Shorts                   | 36.00           | 38.00     |



## CUNARD LINE

Canadian Service  
**LONDON TO HALIFAX**  
 (Via Plymouth)  
**HALIFAX TO LONDON**  
 (Calling Falmouth to land Passengers)  
 For particulars of sailings and rates apply to Local Agents or to The Robert Reford Co., Limited, General Agents, 20 Hospital Street, and 23-25 St. Sacramento Street, Montreal.

## ANCHOR-DONALDSON LINE

**WESTBOUND**  
 (Glasgow via Halifax N.S. to Portland, Me.)  
 — also —  
 (Glasgow to St. John N.B. direct Eastbound.)  
**PORTLAND TO GLASGOW DIRECT**  
**HALIFAX TO GLASGOW DIRECT**  
 As to rates and sailings  
 For information apply to local Agents or The Robert Reford Co., Limited, General Agents, 20 Hospital Street and 23-25 St. Sacramento St., Montreal.

### RAILROAD RETURNS SATISFACTORY.

The aggregate returns of the three chief Canadian railroads amounted to \$4,135,915 an increase of 25.3 per cent greater than for the same period in 1916.

C. N. R. returns showed the largest percentage increase, being up 37.6, C. P. R. figures were 29.7 per cent, better, while Grand Trunk's returns were up 19.7 per cent. A comparison is shown in the following table:

| Road.  | 1917.       | Increase. | P.C. |
|--------|-------------|-----------|------|
| C.N.R. | 646,000     | 176,800   | 37.6 |
| C.P.R. | \$2,417,000 | \$554,000 | 29.7 |
| G.T.R. | 1,072,915   | 106,614   | 19.7 |
| Totals | \$4,135,915 | \$837,414 | 25.3 |

### TRENT CANAL TO OPEN.

The Railway and Canals Department, at Ottawa, announces that the finishing touches will be put on the eastern section of the Trent Canal during the next three or four months, and the waterway from Lake Simcoe to Trenton on the Bay of Quinte will be opened for through traffic early next summer. The Severn River end of the project, giving outlet to Georgian Bay, will not be completed until after the war.

Practically all that remains to be done on the Trenton end of the canal is to complete a few locks and the bridge over the Grand Trunk Railway at Campbellford.

### CANADIAN NORTHERN RAILWAY IMPORTANT CHANGE OF TIME

Canadian Northern Railway announce the following important cancellations and changes in times of trains to and from Montreal effective Sunday, January 14th, 1917.

#### LEAVING MONTREAL.

**Train No. 2**—for L'Epiphanie, Rawdon, Joliette, Shawinigan Falls, Grand Mere, Hervey Jct., Riviere a Pierre Jct., Quebec and intermediate stations will leave 9.30 A.M. daily except Sunday as at present. **BUFFET PARLOR CAR CANCELLED.**

**NOTE**—There will be no through connection with this train for La Tuque as connecting train between Riviere a Pierre Jct. and La Tuque will be cancelled.

**Train No. 4**—for L'Epiphanie, Rawdon, Joliette, Shawinigan Falls, Grand Mere, Garneau Jct. and intermediate stations will leave 5.00 P.M. Tuesdays, Thursdays and Saturdays only instead of daily except Sunday as at present. On Saturdays only train will run through to Riviere a Pierre Jct. connecting with train for Roberval, Chicoutimi and intermediate stations.

**Train No. 10**—for Joliette and intermediate stations will leave 9.30 A.M. Sundays only will be cancelled. Last trip Sunday, January 7th, 1917.

**Train No. 28-7**—for Joliette, St. Jerome, Hawkesbury, Ottawa and intermediate stations leaving 3.30 daily except Sunday will be cancelled. Last trip Saturday, January 13th, 1917.

**Train No. 6-21**—New Service. Leaving 5.00 P.M. Mondays, Wednesdays and Fridays only for L'Epiphanie, Joliette, Montfort Jct., St. Jerome, Montfort, Huberdeau and intermediate stations.

#### ARRIVING MONTREAL.

**Train No. 1**—from Quebec, Riviere a Pierre Jct., Grand Mere, Shawinigan Falls, Joliette, Rawdon, L'Epiphanie, and intermediate stations will arrive 4.30 P.M. instead of 5.30 P.M. daily except Sunday as at present. **BUFFET PARLOR CAR CANCELLED.**

**NOTE**—There will be no through connection with this train from La Tuque as connecting train between La Tuque and Riviere a Pierre will be cancelled.

**Train No. 3**—from Garneau Jct., Grand Mere, Shawinigan Falls, Joliette, Rawdon, L'Epiphanie and intermediate stations will arrive 11.10 A.M. Mondays, Wednesdays and Fridays only instead of daily except Sunday as at present. On Mondays only this train will run from Riviere a Pierre Jct., making connection with train from Chicoutimi, Roberval and intermediate stations.

**Train No. 5**—from Joliette and intermediate stations arriving 8.15 A.M. daily except Sunday will be cancelled. Last train Saturday, January 13th, 1917.

**Train No. 9**—from Joliette and intermediate stations arriving 8.45 P.M. Sundays only will be cancelled. Last trip Sunday, January 7th, 1917.

**Train No. 27**—from Ottawa, Hawkesbury, St. Jerome, Joliette and intermediate stations arriving 2.30 P.M. daily except Sunday will be cancelled. Last trip Saturday, January 13th, 1917.

**Train No. 22-5**—New Service. Arriving 11.10 A.M. Tuesdays, Thursdays and Saturdays only from Huberdeau, St. Jerome, Joliette and intermediate stations.

### MONTFORT BRANCH.

#### Northbound:

Connection at Montfort Jct. with Canadian Pacific train leaving Montreal (Place Viger Station) 4.00 P.M. daily except Sunday will be cancelled. (Last Saturday, January 13th, 1917) and commencing Monday, January 15th connection will be made by Canadian Pacific Train leaving Montreal (Place Viger Station) at 5.20 P.M. Mondays, Wednesdays and Fridays only with Canadian Northern train No. 6-21 leaving Montfort Jct. 7.50 P.M. arriving Huberdeau 10.25 P.M.

#### Southbound:

Connection at Montfort Jct. with Canadian Pacific train arriving Montreal (Place Viger Station) 9.20 A.M. will be made Tuesdays, Thursdays and Saturdays only instead of daily except Sunday and Mondays as at present. Canadian Northern train No. 22-5 will leave Huberdeau 5.15 A.M. Tuesdays, Thursdays and Saturdays only arriving Montfort Jct. 7.50 A.M.

Connection at Montfort Jct. with Canadian Pacific train arriving Montreal (Place Viger Station) 10.15 P.M. Sundays only will be cancelled. Last trip Sunday, January 7th, 1917.

For further particulars apply City Ticket Office, 230 St. James St., or Depot Ticket Office, St. Catherine St. East, Montreal.

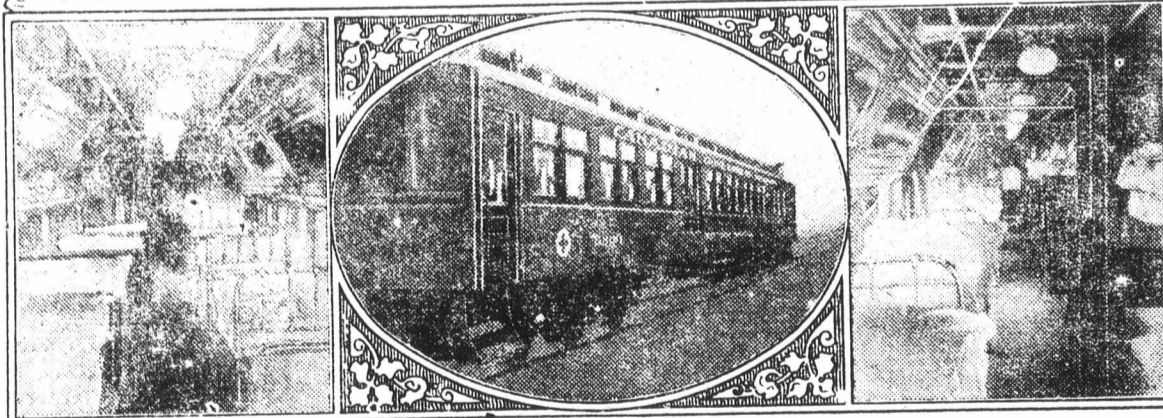
### HOSPITAL CARS.

The C. P. R. has transformed six sleeping cars into ambulance cars for the use of the Military Hospitals Commission. This will make a total of sixteen hospital cars in the Commission's service. The Canadian Pacific cars will be used between Winnipeg and the Pacific Coast while the Government cars will run between the Atlantic ports of call and Winnipeg, although through trains will also be run if necessary. The Canadian Pacific Railway cars, like the Government ones, will be in pairs, one car containing eight cots, kitchen and accommodation for medical officer and nurses, while the other will be fully occupied by sixteen cots.

### C. N. R. CONTRACTS.

The contracts for the erection of the two Montreal terminals have been given by the C. N. R. to the Norcross Brothers Company, of Montreal, and to Mr. Angus Sinclair, formerly of New Brunswick. In the first place, the Norcross Brothers Company, have been awarded the contract for the construction of the station at the corner of Lagauchetiere and St. Monique streets, to be used first as a temporary station, and subsequently as an express office when the main depot is completed later on. The same firm will also do the excavation work for the building in question, which will be of steel and concrete, measuring about one hundred feet square. Then the more extensive contract for excavating the site for the main station and tracks, which will embrace the removal of 280,000 cubic yards, has been given to Mr. Angus Sinclair.

## A HOSPITAL ON WHEELS



From the Moncton shops of the Canadian Government Railways there has recently been released the first hospital car in Canada to be used for the transport of our returning wounded soldiers. One of the easy-riding sleeping cars has been converted into a hospital on wheels. The seats on one side of the car, ordinarily used as lower berths, and the men's smoking compartment have been removed and five regulation hospital cots installed. The beds, braced so as to be perfectly rigid, afford better opportunities for the more skilful handling of the patient than the ordinary sleeping car berths and are of such a height as to permit the occupant to have a view of the country through which he is passing without any unnecessary exertion.

Other and important features are the double doors in the centre of the car opening inward, thus permitting stretcher cases to be carefully attended to. Lockers for the storing of medical supplies have been built. There is also a small buffet where hot water can be readily provided and equipped for the serving of light meals; in fact, all the requirements seem to have been anticipated, even to the curtains at the central doors so that when open they may act as a screen to draft and view of the beds nearby.

From the outside the purpose of the car is made apparent, the name "Military Hospital" has been painted in prominent letters and this is augmented by the insignia of the "Red Cross" on each end of the car. This

is the first of a series which the Government Railways have been called upon to provide. Another car to be used in conjunction will be an "all-bed" car. All the seats will be removed, and as the end doors will be widened, so as to permit easy entrance or exit of stretcher cases, the central doors will not be necessary, thus providing room for more beds. Each car will have a nurse and an orderly and one doctor will be in attendance to ever, five cars. The work has been undertaken at the request of the Military Hospitals' Commission, who are extending their activities by providing for treatment and accommodation in Canada of a large number of Canadian wounded men in the Old Country hospitals.