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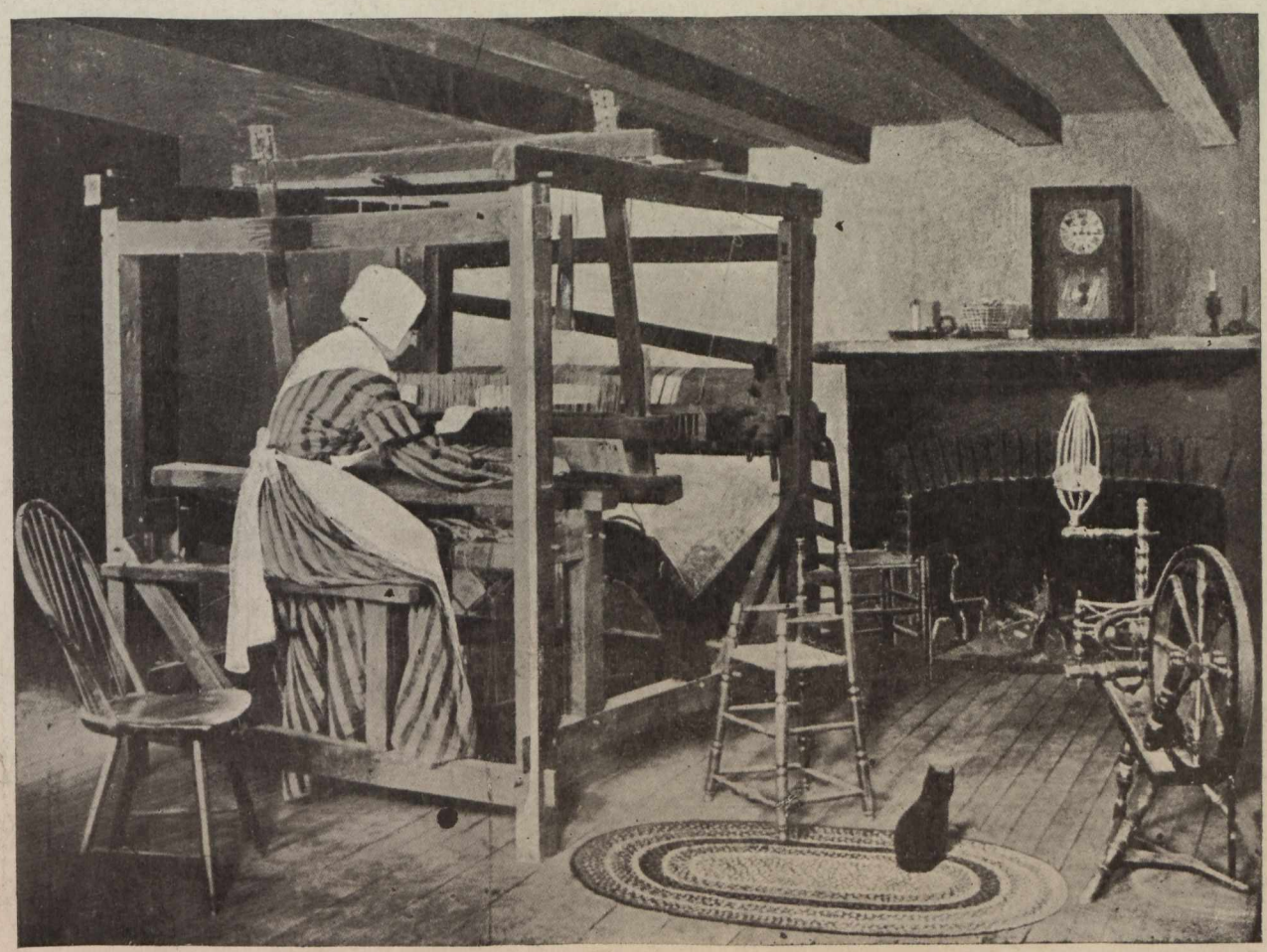
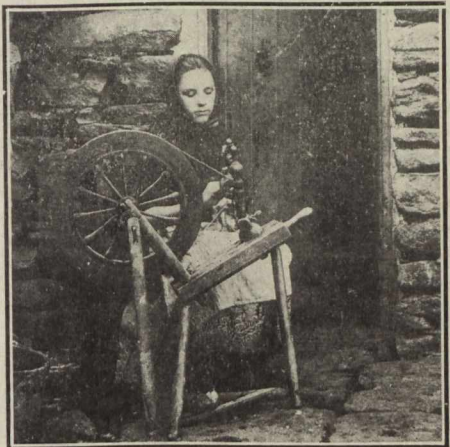
The Journal of Commerce

VOL. XLVII, No. 23.

GARDEN CITY PRESS, JUNE 10, 1919.
Ste. Anne de Bellevue, Que.

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The world is gaping wide for products. Canada is among the favored few fortunate in being able to supply the things desired, whether raw materials or manufactured goods.

In less than five weeks ten trade-groups have been organized at the direct suggestion of the Trade Commission. Already reports coming in are that prospects are rosier than were even dreamed of. Big business is being booked.

The well-being and industrial stability of the Dominion demand that manufacturers secure as much trade abroad as possible. **IT IS THE TURN OF INDUSTRY** more especially to shoulder **A BIGGER PART OF THE NATIONAL BURDEN**. Agricultural exports cannot be expected to expand; their apparent limit has been reached.

A much greater national income is compulsory; **MORE DOLLARS MUST COME IN FROM OUTSIDE**; it is only through things exported that in the long run we can pay for things imported. Already our balance of trade is reverting to the adverse position it was in before the war.

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The forming of trade-groups to obtain foreign orders which may be sub-divided among our factories according to their capacity is one of the **MOST IMMEDIATE NEEDS OF OUR NATIONAL LIFE.**

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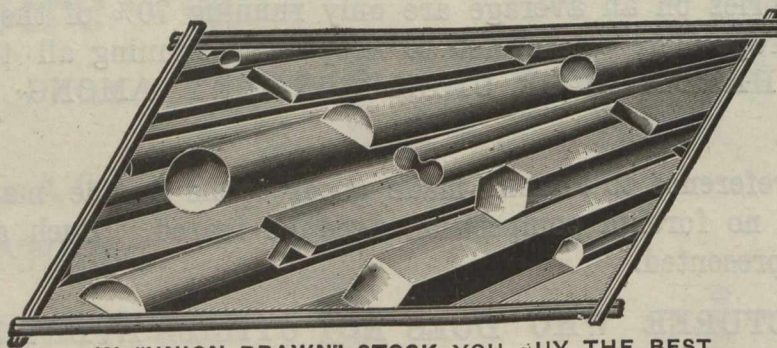
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LIABILITIES.	
Capital Paid-up	\$14,000,000.00
Reserve Fund	15,000,000.00
Undivided Profits	535,757.19
Notes in Circulation	37,788,656.74
Deposits	337,475,496.57
Due to other Banks	6,851,706.27
Bills Payable (Acceptances by London Branch)	321,974.55
Acceptances under Letters of Credit	10,335,591.36
	<u>\$422,809,182.68</u>
ASSETS.	
Cash on Hand and in Banks	\$69,804,371.01
Deposit in the Central Gold Reserves	26,000,000.00
Government and Municipal Securities	56,236,065.08
Railway and other Bonds, Debentures and Stocks	14,587,371.33
Call Loans in Canada	11,443,391.09
Call Loans elsewhere than in Canada	26,980,919.83
	<u>205,052,118.34</u>
Loans and Discounts	198,324,832.03
Liabilities of Customers under Letters of Credit as per contra	10,335,591.36
Bank Premises	6,592,475.43
Real Estate other than Bank Premises	1,169,481.02
Mortgages on Real Estate sold by the Bank	91,865.75
Deposit with Dominion Government for Se- curity of Note Circulation	742,818.75
	<u>\$422,809,182.68</u>

*548 Branches in Canada, Newfoundland, West
Indies, Central and South America, etc.,
distributed as follows:*

Canada	482
Newfoundland	6
West Indies	48
Central and South America	9
Spain (Barcelona)	1
U.S.A. (New York)	1
Great Britain (London)	1
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The Journal of Commerce

MONTREAL, CANADA

VOL. XLVII, No. 23.

GARDEN CITY PRESS, TUESDAY, JUNE 10, 1919.
Ste. Anne de Bellevue, Que.

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HON. W. S. FIELDING,
President and Editor-in-Chief.

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A Power Breakdown

WE owe our readers an apology because this week's "Journal of Commerce" has been delayed on the press. Usually an apology is accompanied by an explanation, but in this case, owing to the seemingly indifferent attitude of the Montreal Light, Heat and Power Co., we, ourselves, have not been favored with the courtesy of a reason for the serious tie-up of this corporation's power-producing or distributing plant for two whole days.

The power on the line that runs the "Journal of Commerce" press went "dead" Sunday night or early Monday. All power lines are liable to do this once in a while, but never, we venture to assert, has there been such a dearth of explanation or information on an occasion which caused such a serious loss of employment and grievous inconvenience to whole communities along the line. The officials of the Montreal Light, Heat and Power Co., from Sir Herbert Holt down to the lesser representatives, were apparently indifferent to the fact that industries were tied up, that water supply systems were stopped, that hundreds of people were thrown out of employment, and that the large area served by this line had to revert to the primitive method of candle-lighting.

The officials at the head office had no information to give, even as to the probable time when the power might be expected to come on again, although such information would have been invaluable to power-users who are large employers of labor. No satisfaction at all could be secured from the Montreal Light, Heat and Power Co., even as to the cause of the trouble, and it was left to the employers of labor to appease their disgruntled employees as best they could.

Quite recently, Sir Herbert Holt, the president of the Montreal, Light, Heat and Power Co. was boasting that his corporation supplied cheaper power than the Hydro-Electric Commission in Ontario. If we are to judge by the present instance, it will be a long time before Sir Herbert Holt is able to boast that his company give a better service than the Hydro-Electric or display as great an anxiety for the convenience and welfare of their customers when a "tie-up" does occur. Those who have had experience with the Hydro-Electric in Ontario confidently say

that if such a break-down had occurred on their line, the newspapers would have carried columns relative to the cause, probable duration of the "tie-up" and other matters affecting the interests of power users. Reading the Montreal dailies one wouldn't suspect that there was anything amiss. There wasn't even a paragraph reference to the breakdown of this public utility.

In these days of unrest, it is not a good thing to find a big corporation so indifferent to the welfare of the public it is supposed to serve, and so exempt from criticism or notice of the daily press, which should be a guardian of the public interests.

The Budget

THE main figures of Sir Thomas White's financial statement are not surprising.

The country had been prepared for a big war account that must be met. The war has cost Canada in money about \$1,400,000,000. The war is over, but a large part of our war expenses is still running, and must continue until demobilization is completed. Practically the present fiscal year, which began April 1, is a war year. At the end of this year when the war bill—that is the bill for immediate expense—is fully made up, the amount will reach one and three-quarter billion dollars. Then, in the matter of pensions and other outlay which, arising from the war, must be carried for a considerable period, there will be an annual charge estimated at about forty million dollars. For these war charges and for interest on our large public debt of nearly two billion dollars the Government will have to provide each year a very large sum in addition to such ordinary expense of Government and appropriations for public works as were usually provided in pre-war days. The interest on the debt and the bill for pensions, etc., admit of no reduction. They must be met squarely. If there is to be economy anywhere in the national expenditure it will have to be in relation to the ordinary expenses of the Dominion. The fear of unemployment in this very critical year has led to rather liberal appropriations. By the time another year's finances have to be arranged, it should be possible to apply the pruning knife more effectively.

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The tariff side of budget speeches is seldom satisfactory to everybody. The high tariff advocates desire to hold whatever advantage they have, and they clamor for higher duties. The low tariff section advocate wide reduction of duties. Some sort of compromise between these extremes is usually found necessary. If, in the present case, the low tariff men receive much less than they desire, the high tariff men also are disappointed.

The Government, at the beginning of the war, imposed a special Customs tax of 5 per cent on British goods, and 7½ per cent on foreign goods. These taxes, added to the ordinary Customs tariff, gave the home manufacturers a large measure of protection, which, naturally enough, they have desired to hold. They set on foot a campaign of petitioning strongly against any tariff changes. The employees in the factories everywhere were asked to sign, and did sign, these petitions. The Finance Minister, however, has turned a deaf ear to this campaign. He has proposed to repeal the 5 per cent on British goods, and to repeal the 7½ per cent on large classes of the foreign goods. The selection he has made as respects the 7½ per cent list will probably invite some criticism. A clean repeal of all the war taxes in the Customs tariff would have been logical and defensible. The process of selection opens room for debate. When one is taken and the other left, questions as to why and wherefore naturally arise. "You kept the 7½ per cent on articles where A was concerned, why did you not keep it on the items in which I am interested?" So will one interest ask. "You make a dicker," another will say, "with the Canadian Pacific Railway to obtain lower freight rates on some farm implements, but you do it at the expense of our coal interest by reducing the coal duty." It may be questioned whether the revenue the Minister will receive from the partial retention of the 7½ per cent will be large enough to justify the process of selection and its consequent embarrassment.

With reduction of Customs duties there had to go a very considerable increase of income tax. This form of taxation has now taken a permanent place in our fiscal system, and increases of the tax must be expected whenever the need for increased revenue becomes pressing. The fact that so large a portion of the wealth of the country, in the form of Government bonds, is exempt from this taxation is likely to become a subject of wider discussion hereafter. The country has engaged to keep these bonds, running into hundreds of millions of dollars, free from income tax.—The bargain must be kept. But it is a bargain which will be kept with ever increasing murmur and protest from the less favored members of society, who are to be taxed on their small and hard-earned incomes, while their wealthy neighbors who were shrewd enough to put their money into Government bonds go Scot free. Such a situation will breed endless discontent.

A Grave Breach of Faith

THE House of Commons at Ottawa on Wednesday night, by a small majority in a thin House, came to a decision which, we fear, is capable of doing much harm to Canada's good name in the world of finance. The question under consideration was one to which we made reference lately, concerning the charter of a Toronto power company. Seventeen years ago, in the ordinary course of legislation, a charter was granted to the company which apparently gave it the right to carry on its operations in any part of Canada, irrespective of the wishes of any municipal authority. It has been said that Parliament did not intend to grant such a power, that a mistake was made which should now be corrected. Quotations are made from the debates of the time to show that Parliament was told by several members that the charter would be held subject to a general law which protects the rights of the municipalities. On the other hand, it is shown that, after the passing of the charter, the unrestricted power which the language of the Act gave was brought to the notice of the City Council of Toronto—the city that was chiefly concerned—by the Mayor of that city. If, immediately after this, the city of Toronto had challenged the propriety of the Act and demanded a modification of it, before the company had made any financial arrangements under the charter, perhaps a good case could have been made out for an amendment to protect the municipal control of streets, etc. But nothing of the kind occurred. The company was allowed to proceed with its business and engage in large financial operations based on the charter as it stood. It is a well known legal principle that an Act of Parliament must be construed strictly in accordance with its language. Nothing that was said on either side in Parliament can be considered in interpreting the Act. Long years after the enactment of the charter by the Dominion Parliament the right of the company to erect poles in Toronto without the consent of the municipality was challenged in the courts. The trial judge, Chancellor Boyd, decided that the company had the right claimed by it. On appeal his decision was reversed by the Appeal Court. Then the company appealed to the highest court in the Empire, the Judicial Committee of the Privy Council in England, which tribunal reversed the judgment of the Ontario Appeal Court and confirmed the decision of Chancellor Boyd in favor of the company.

The right of the company to erect its poles without asking the consent of the Toronto City Council was thus established by the highest court. The company's position was, of course, much strengthened by this decision in its favor. It proceeded with its operations and engaged in further large financial transactions, including the issue of millions of dollars of bonds in Great Britain, the United States and Canada. The Toronto City Council, supported by many municipal bodies throughout Canada, claimed that the municipal

control of streets should be secured by legislation. The matter came up in connection with a proposed consolidation of the Railway Act. The dispute between the Toronto company and the Toronto City Council blocked this consolidation measure in three sessions of Parliament. In the Senate this year a clause was inserted, the effect of which was to give any complaining municipality a mild right to be heard before the Board of Railway Commissioners. A Toronto member of the House moved to strike out this clause and to substitute one distinctly requiring the company to obtain municipal consent before operating in any street. After a long debate this motion was carried by a small majority.

So many side issues entered into the debate that too little consideration was given to the bearing of the dispute on the question of Canada's good faith in legislation. Many of the arguments used against the charter may be admitted without leading to the conclusion that the rights granted to the company should be withdrawn. Undoubtedly the charter was imprudently granted. Such a charter would not be granted today. But it was granted in 1902 in terms which, according to the judgment of the Privy Council, gave the company the rights it has claimed. On the faith of the legislation large financial operations were undertaken. It will be claimed, with much reason, that the decision of the House of Commons on Wednesday night was a flat repudiation of a solemn contract entered into by Parliament seventeen years ago. Such a contention, in the mouth of Canada's critics, may do much harm.

As might have been expected the Senate has refused to agree to the House's amendment. This prevents the consummation of what many have regarded as a confiscation of the company's rights, though the fact that the House was ready to take the step is likely to be remembered to Canada's disadvantage. There will be an outcry against the Senate, and a revival of the demand often made for its abolition. The constitution of the Senate is not perfect, but in this case that body has certainly discharged one of the chief purposes for which a Second Chamber was created. There will be no good ground for the denunciations of the Senate which are almost sure to be heard. A serious aspect of the situation is that the necessary work of consolidating the Railway Act, which has been delayed by this dispute for three years, will be again blocked. It should be possible, by a conference between the two Houses, to find a solution of this problem. The rights of the company granted by Parliament in 1902 and confirmed by the highest court of the Empire cannot be set aside in the easy way desired by some people. But in view of all the possibilities of conflict with the municipalities an amendment should be agreed upon which will give additional assurances that the company's rights will be exercised with due regard to public interests and public convenience.

New Tariff Changes in Budget

Big Increase in Income Tax Rate. Part of Customs War Tax Abolished

Sir Thomas White, Minister of Finance, presented his Budget to the House of Commons on Thursday, his proposals being awaited with more than ordinary interest.

The features of the Budget in brief were:—

Abolition of customs war tax 5 per cent on British goods.

Abolition of customs war tax 7½ per cent on foodstuffs, clothing, boots and shoes, hides, skins, leather, harness and saddlery, agricultural implements, petroleum, oils, mining machinery and bituminous coal.

Coffee duty reduced five cents per pound.

Tea from Empire reduced three cents per pound.

Free wheat and potatoes confirmed by statute.

Agricultural implements duties reduced to approximately the scale of the reciprocity pact.

Cement reduced to eight cents per 100 pounds.

Income tax increased to United States rates.

Business profits tax continued for this year.

Corporations to pay ten per cent on profits in excess of \$2,000.

TARIFF CHANGES.

Under the Customs Tariff War Revenue Act of 1915, a British preferential tariff rate of five per cent and an intermediate and general tariff rate of 7½ per cent were imposed upon, with certain exceptions, all imported goods. The British preferential tariff rate of five per cent is wholly repealed, and the intermediate and general tariff rate of 7½ per cent is partially repealed inasmuch as it will no longer be applicable to foodstuffs, linen and cotton clothing, woollen clothing, boots and shoes, fur caps and fur clothing, caps, hoods and bonnets, gloves and mitts, collars and cuffs, hides, skins, leather, harness and saddlery, agricultural implements, petroleum oils, mining machinery and bituminous coal.

Provision is made for the free importation into Canada of wheat, wheat flour and potatoes from countries which do not impose a customs duty on such articles grown or produced in Canada. There will also be an alteration in the rates on soda ash from five per cent under the British preferential tariff and 7½ per cent under the general tariff to one-fifth of a cent a pound under the British preferential tariff and three-tenths of a cent a pound under the general tariff, and there will be specified instead of ad valorem rates of duty upon pig lead, zinc spelter and copper ignots. On certain products made from these there will be an increase in duties.

There will be a total reduction under the general tariff from 27½ per cent to 15 per cent on cultivators, harrows, horse rakes, seed drills, manure spreaders and weeders and complete part thereof, and from 27½ per cent to 17½ per cent on ploughs and complete parts thereof, portable engines and traction engines for farm purposes, horse power and threshing machine separators and appliances. On hay loaders, potato diggers, fodder or feed cutters, grain crushers, fanning mills, hay tedders, farm, road or field rollers, post hole diggers, snaiths and other agricultural implements there will be a total reduction in the rate from 32½ per cent to 20 per cent, and a similar reduction on farm wagons.

These reductions, the Minister of Finance stated, would not have been possible had not they been able to make arrangements with the railway companies for a decreased freight rate from eastern points west of Montreal to the prairie

provinces. In return for this lower freight rate which will meet the rates charged for the shorter mileage from Chicago to western points, the railway companies will get relief by the abolition of the 7½ per cent war duty on bituminous coal.

INCREASED INCOME TAX.

The new income tax is considerably greater than the present tax, as the following comparative figures will show.

Income	Tax. Present.	Tax. Proposed
\$3,000	\$20	\$40
\$4,000	\$60	\$80
\$5,000	\$100	\$120
\$6,000	\$140	\$170
\$8,000	\$266	\$370
\$10,000	\$392	\$590
\$20,000	\$1,382	\$1,990
\$30,000	\$2,702	\$3,890
\$50,000	\$5,782	\$9,190
\$75,000	\$11,007	\$19,070
\$100,000	\$17,607	\$31,190
\$200,000	\$50,957	\$93,190
\$500,000	\$195,407	\$303,190

A four per cent tax will be levied upon all incomes exceeding \$1,000, but not exceeding \$6,000 in the case of unmarried persons and widows or widowers without dependent children; and upon all incomes exceeding \$2,000, but not exceeding \$6,000 in the case of all other persons. On all incomes over \$6,000 a normal tax of eight per cent will be imposed and the surtax shall commence from \$5,000 instead of \$6,000 as at present. Upon incomes in excess of \$100,000 materially increased rates are levied. All corporations shall pay 10 per cent on their net income in excess of \$2,000.

BUSINESS PROFITS TAX.

The Business Profits Tax will be continued and applied to accounting periods ending on or before December 31, 1919. Businesses having a capital of \$25,000 and over, but less than \$50,000, profits in excess of 10 per cent will be taxed at the rate of 25 per cent thereof. Businesses having a capital of \$50,000 and over (exemption for incorporated companies, 7 per cent; other than incorporated companies, 10 per cent), profits in excess of exemption, but not exceeding 15 per cent to 20 per cent inclusive, the rate of taxation will be 50 per cent, and profits in excess of 20 per cent will be taxed at the rate of 75 per cent.

TARIFF REVISION DELAYED.

With regard to the subject of general tariff revision, Sir Thomas White said that general revision becomes necessary in the national interest from time to time in order to adjust the tariff to the changed conditions which have arisen. In the intervals between general revisions, the policy has been to make as few changes as possible in order that the business of the country may not be disturbed by sudden and unexpected change. In 1897 there was such a revision, in 1904 there was a revision relating to a limited list of commodities, in 1907 there was a general revision, and in 1914 a partial revision. Had the war not occurred there would have been a general revision in 1916 or at the latest, 1917.

It would not be practicable at this time to make a general revision, the Minister of Finance continued. International trade was most unsettled. Prices are unstable, and labor conditions internationally speaking, are most uncertain. He expressed the hope that within a year conditions would have become so stabilised as to permit of a general revision of the tariff which was long overdue. Preceding such an enquiry there should

be a thorough enquiry affording all interests, an opportunity of expressing their views. The result of such an enquiry would be a body of information which would enable the Government to effect a general revision of tariff fair to all parts of the community. His view was that this enquiry should commence in the fall of this year.

Concluding, the Minister of Finance referred to the economic condition of the country. "An outstanding feature of the business situation," he said, is the fact that a great part of our business activity is due to the continued heavy expenditure of public money. The policy of the Government for the so-called reconstruction period of transition from war to peace basis as illustrated in its programme with respect to shipbuilding, better housing, railway betterments, and extensions, public works, and other national undertakings, together with its contribution of war gratuities to soldiers and the creation of credits for the promotion of our external trade with Great Britain and other European countries is a vital factor in maintaining our commerce, domestic and foreign, keeping the wheels of Canadian industry turning and affording employment to hundreds of thousands of our people. The funds from which these activities and credits are financed, and which aggregate many hundreds of millions of dollars are borrowed money. This being a war year, a year of dislocation and of readjustment, of business and industrial uncertainty, of general unrest and of high prices for the necessities of life, demobilization and of reabsorption into civil life and occupations of our army, the Government is undoubtedly justified in the policy which it has adopted. To have pursued a timid or hesitating course with respect to making provision so far as possible for employment and for promotion through public finance of our export trade in agricultural and manufactured products would have invited most serious conditions throughout Canada. During the unsettled period following the war Governments must do many things outside their function in ordinary times, which private enterprise, through lack of resources or from apprehension as to the risk involved, is not able or willing to undertake. It must, however, be pointed out that the continuation of such a policy is subject to strict limitation and that we must look forward for a time when the artificial support of employment and public financing of trade must be greatly reduced or discontinued, and the industry and business of the country be re-established upon the normal basis of peace conditions. The sooner this can be accomplished the better it will be for the community as a whole.

PAPER MEN SEND ADVISER.

Ways and means of improving export business were discussed at a meeting held in Montreal last week by pulp and paper manufacturers. A long discussion took place concerning the difficulty of obtaining shipping and the excessive freight rates now in force between Canada and Great Britain, the prevailing sentiment being that Canada ought to be prepared to look after her own shipping interests at the present time without depending so much upon the Old Country. It was stated at the meeting that some ships now owned by the Canadian Government are being employed in bringing foreign products to this country from Cuba and elsewhere, which might better be employed in carrying Canadian products, such as pulp and paper for which there is a steady demand to England.

It was voted to send Mr. A. L. Dawe, secretary of the Canadian Pulp & Paper Association, to London, to act as pulp and paper adviser to the Lloyd Harris Canadian Trade Mission, the suggestion that an expert familiar with the industry be sent, coming from Mr. Harris himself.

What the Companies are Doing

RAIL EARNINGS ADVANCED.

Traffic earnings of the three principal Canadian railway systems for the last week in May aggregated \$8,728,589, an increase of \$1,005,141, or 13 per cent.

Each of the three roads showed an increase for the week, the Grand Trunk leading in percentage of gain.

Earnings for the week, with increases from a year ago, follow:—

	1919.	Inc.	P.C.
C. P. R.	\$4,505,000	\$470,000	11.6
G. T. R.	1,746,105	238,382	15.8
C. N. R.	2,477,484	296,759	13.6
Totals	\$8,728,589	\$1,005,141	13.0

CHALMERS-MAXWELL CONSOLIDATION.

It is understood that the terms of consolidation between the Maxwell and Chalmers Company having approximately four hundred thousand shares of no par value with Maxwell first preferred getting one hundred and twenty per cent. in new stock, Maxwell second preferred sixty per cent. and Maxwell common seventy per cent. Chalmers preferred will get ninety per cent. of new stock and Chalmers common fifteen per cent. The plan also contemplates the issuance of ten million dollar notes convertible into common stock to provide for future expansion of the new consolidated corporation. As several of the details have not yet been perfected it is thought that the officials will not make an announcement for a few days.

SAGUENAY MARKETS ISSUE.

A special meeting of the North American Pulp and Paper Companies was held in Montreal on Friday last, and the shareholders approved of the organization of a working company, to be called the Saguenay Pulp & Power Company, and authorized it to make an issue of \$5,500,000 6 per cent serial gold bonds for the purpose of purchasing from the N. A. Pulp & Paper Companies and the Chicoutimi Pulp Co., \$1,500,000 first mortgage bonds of the latter company, and \$3,000,000 similar bonds of the Saguenay Power & Light Company; to purchase from the Saguenay Securities Company \$1,170,000 first mortgage bonds of the Chicoutimi Pulp Co., and \$1,200,000 of the Saguenay Power Company, to pay the debts of the Chicoutimi Pulp Company and its subsidiaries, and the cost of completing the Pont Arnaud plant.

The shareholders also approved the transferring of the preferred shares of the Chicoutimi Company into a like number of shares of the Saguenay Pulp Company; the reduction of the dividend from 7 to 6 per cent, and an increase in the number of preferred shares to even the disbursement.

The new company will possess water powers of 200,000 h.p., of which its subsidiaries are now using about 30,000.

The pulp mill at Chicoutimi has a present output of 110,000 tons annually of mechanical pulp, and the Ha Ha Bay mill is producing 30,000 tons of sulphite pulp, and when the extensions to plants are completed out of expenditures from the proceeds of the new bond issue, the total output of the new company will be 170,000 tons of pulp per annum, by far the largest in the world.

During the past year the company's operations left profits amounting to roughly \$850,000.

The president states that the total output for the coming year has been sold in England at a price exceeding last year's.

The new bond issue is being underwritten by local bondhouses, and will be offered at par.

P. M. LAING APPOINTED.

Jones & Glasco, Reg'd., announce the appointment, as their Toronto representative of Mr. P. M. Laing, recently Toronto branch manager of Herbert Morris Crane & Hoist Company. Mr. Laing has had broad experience in the engineering field particularly as applied to transmission appliances and equipment, having been for a number of years connected with the Positive Clutch & Pulley Works, and also the Elmira Machinery & Transmission Company. This experience combined with several years' architectural, engineering and industrial study of applications serving a wide clientele, has earned for him a highly respected connection, both in Toronto and throughout Ontario. A call at the Toronto Office, located at 1203 Bank of Hamilton Building, will find Mr. Laing ready to respond to all enquiries of the well-known firm of Jones & Glasco, Reg'd., in the power transmission field.

CONVERTERS' RECORD YEAR.

The annual statement of the Canadian Converters Company, Limited, placed in the hands of the shareholders last Friday showed that all previous records both as to earnings and financial strength have been broken. Earnings for the year ended April 30 last were \$257,324, an increase of \$39,435, or 18.5 per cent., over the showing in this respect in the 1917-18 period, and \$53,320, or in excess of 26 per cent., over the previous fiscal year of the company.

After deducting bond, interest, depreciation allowance and setting aside the sum of \$30,000 as a reserve for 1918 war tax and bad debts, there remained available for application to distribution on the outstanding stock of the enterprise \$176,384, representing an earnings capacity of 10.2 per cent. on the shares, compared with 8.4 per cent. last year and 8 per cent. in the 1916-17 period.

A comparative statement of profit and loss figures for the last three years, the 1918-19 profits including \$2,750 interest on the company's Victory Bond holdings, against \$572 in last year's figures, is given in the following:

	1918-19.	1917-18.	1916-17.
Profits	\$257,324	\$217,889	\$204,004
Bond int.	23,940	23,940	23,940
Balance	\$233,384	\$193,949	\$180,064
Deprec.	27,000	27,000	27,000
Balance	\$206,384	\$166,949	\$153,064
Bad debts and tax res. .	30,000	21,500	13,651
Balance	\$176,384	\$145,449	\$139,413
Dividends	86,675	69,340	17,335
Balance	\$89,709	\$76,109	\$122,078
Prev. bal.	354,170	297,207	175,128
Total P. & L.	\$443,879	\$373,316	\$297,207

A survey of the balance sheet discloses continued improvement in the company's financial position, working capital at \$795,112 standing \$43,279 in excess of that of last year and almost \$116,000 over that of the year before. A comparison of the three years is given in the following:

	1919.	1918.	1917.
Assets	\$977,669	\$863,692	\$881,382
Liab.	182,557	111,859	202,204
Working capital.	\$795,112	\$751,833	\$679,178

Among the current assets, cash on hand at \$30,257 is almost \$10,000 more than a year ago, while accounts receivable, due, no doubt, to the heavier volume of business done by the company during the year, are some \$115,000 higher at \$330,-

330. Holdings of war loans were increased by approximately \$50,000 during the 1918-19 period, standing at \$76,947. Inventories of merchandise and stocks on hand show little variation from last year's total.

Reserve for depreciation was increased by some \$27,000 during the year under review, being shown at \$194,730, as compared with \$168,395 last year.

Owing to the fact that the war tax for 1917 was in excess of the amount provided for in the 1918 statement by nearly \$20,000, some adjustment was made in the balance of profit and loss carried forward into last year's statement. Profit and loss surplus, to which the 1918-19 earnings contributed \$89,709, now stands at \$443,879.

DOMINION STEEL STATEMENT.

After deducting all operating expenses, repairs and maintenance and business profits tax, the net earnings of the Dominion Steel Corporation for the year ended March 31st last amounted to \$8,768,054, as compared with \$11,030,122 in 1918. After all deductions, including interest on bonds and the regular dividends on the preferred shares, net profits on the year's operations amounted to \$5,470,468, against \$7,601,660 in 1918, and \$8,221,165 the previous twelve months.

Earnings were at the rate of 17 per cent on the outstanding common stock of the Corporation, against 23.7 per cent in 1918 and 9.4 per cent in 1916.

After deducting the disbursements to holders of the common shares from the net profits for the year, there remained to be added to the previous balance of profit and loss account the sum of \$3,705,904, bringing the total up to \$17,459,251. From this balance there was deducted as a reserve for contingencies, including Government taxes for the Corporation's fiscal year, the sum of \$1,000,000, while the generous amount of \$8,500,000 was transferred to a new general reserve fund, which is shown in the balance sheet exhibit at \$11,500,000, the new reserve including the item of \$3,000,000 shown in last year's statement as "special Reserve."

The balance sheet discloses an excellent financial position. The working capital of the Corporation, standing at in excess of \$14,000,000, while some \$3,700,000 less than that of a year ago, is, nevertheless, a comfortable one for a period like the present. In this connection the following table of current assets and current liabilities, together with net working capital, as shown in the eight last annual statements of the Steel enterprise, may be interesting:

Year.	Assets.	Liab.	Working Capital.
1919	19,672,657	5,632,820	14,039,837
1918	21,085,205	3,381,346	17,703,859
1917	15,446,396	2,315,238	13,131,158
1916	9,381,579	2,366,833	6,951,746
1915	8,495,363	4,222,082	4,273,281
1914	9,527,568	6,005,965	3,521,603
1913	7,860,125	6,908,396	951,729
1912	10,391,044	6,043,551	4,347,493

In the assets section of the balance sheet, outstanding changes from a year ago include an increase of nearly \$7,000,000 in cost of properties, indicating that the Corporation has made some considerable extensions and betterments during the year, under review. Inventories at \$9,314,602 are higher by approximately \$1,500,000 than at the end of the 1918 period, while investments in war loans show a reduction by over \$2,000,000. Cash on hand was some \$1,200,000 less, but the contraction in this respect and in the value of war loans held is probably closely associated with the increase in properties account, of which note has been taken.

The liabilities show a new item in \$2,125,693 under the heading "other accounts payable, including liabilities on construction, and Government taxes for 1917" but otherwise the changes in this part of the year's exhibit, beyond the establishment of the new general reserve, already referred to, are of little significance.

Heard On The Street

That there is nothing so rare as a Budget in June.

That there is not a great deal of sympathy for the sympathetic strikers.

That May has been a record banking month in the neighboring republic.

That it is going to be more difficult than ever to become a millionaire.

That Mexico will settle down soon, three states having adopted Prohibition.

That it is fortunate the income tax cannot amount to any more than the income.

That President Wilson is just as anxious to get out of Europe as he was to get there.

That the Minister of Finance, in regard to the tariff, had to "budge it" just a little bit.

That the Canadian Locomotive increased dividend was just another stock market rumor.

That there will be few to urge the nationalization of the U. S. railroads for a long time to come.

That the rumor pertaining to new interests and the Lackawanna Steel Company are only rumors.

That the reduction of the Tea Tax may result only in increased profits for the wholesaler and retailer.

That the Huns have only one alternative—if they don't sign at Versailles, they will sign at Berlin.

That the man with an income of \$500,000 a year will have to pay to the Government no less a sum than \$303,190.

That General Revision von Tariff is coming to Canada next year, and that a hearty welcome awaits him.

That nothing that is worth doing in the world can be done without sacrifice, according to Lord Robert Cecil.

That one of these days the women of the household will be demanding a 44-hour week, and then what?

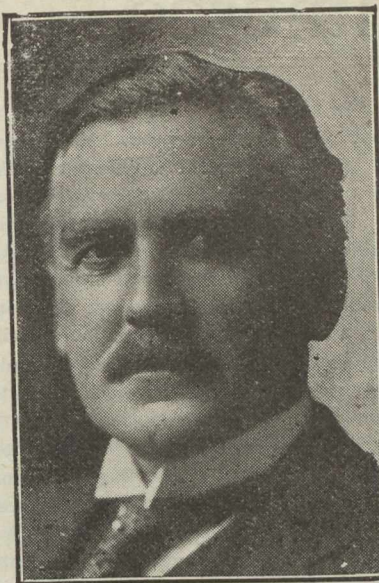
That the Winnipeg Strike Committee in ordering the closing of bakeries and dairies, seem to forget that hungry men are angry men.

That if the fear of publicity has been a potent factor in keeping down the prices of foodstuffs, there is much need to instil a little more fear.

That the Toronto doctors have got the fever for a reduced number of working hours. Henceforth they will be subject to call during 144 hours per week instead of 168 hours.

That Sir Arthur Currie will be appointed to the post of Inspector-General and that other famous Canadian leaders will receive permanent appointments.

The exhibitions of war paintings once shown at the Royal Academy of London will be on view at the Anderson Art Galleries, in New York, until the end of July, when they will be brought on to Ottawa where they will form part of the decorations of the proposed memorial hall to be founded by the War Memorial Fund.



SIR THOMAS WHITE,
Minister of Finance, who has introduced the first ante-bellum budget.

Men of the Moment

CHOSEN MODERATOR.

The Reverend Dr. John Pringle, who has been chosen Moderator of the Presbyterian Church in Canada, is probably the most famous chaplain Canada had overseas. Colonel Pringle's name was a household one in Canada before the war, as his services in the Yukon and in other outlying parts of the country have been of an exceptional nature. Colonel Pringle went over with the first contingent, and stayed with the game till the very end. His only son was killed at the front.

BANK MANAGER PASSES.

Mr. W. P. Hunt, who died here a few days ago, was well known to Montreal business men as the Manager of the St. James Street branch of the Bank of Nova Scotia. The late Mr. Hunt was born at Summerside, P.E.I., 56 years ago, and had been connected with the Bank of Nova Scotia for upwards of 30 years, serving in various parts of Canada and the West Indies. He was unusually popular, not only with the bank's clients, but with everyone with whom he came into contact.

PETROLEUM EXPERT.

Sir B. Redwood, who has just died in London, was the world's greatest authority on petroleum. The late knight was born in London, England, in 1846, was universally recognized as an authority on petroleum products. He was the author of a large number of books dealing with the subject and kindred interests, some of which have run into the third edition. He was knighted in 1905, and created a baronet six years later. A few years ago he visited Canada and reported on this country's petroleum resources.

F. A. VANDERLIP—FINANCIER.

Frank A. Vanderlip, who has resigned the presidency of the National City Bank of New York, has had a spectacular career as a financial writer and banker. After a college education in Chicago, he went into newspaper work, becoming Financial Editor of the Chicago Tribune. He made such a success of his financial work that he was taken to Washington as Private Secretary to the head of the Treasury Department. He became president of the National City Bank in 1909, and held that post until the present time. He is director of a large number of railroads and financial corporations, and is regarded as one of the best informed and ablest financiers on the continent.

N. Y. BANK PRESIDENT.

Mr. James A. Stillman, who has assumed the presidency of the National City Bank of New York, is a son of the late James Stillman, a former president of the bank, and one of the best known financiers in the United States. The present head of the bank was associated in the business with his father, and was chairman of the Board of Directors, a position he resigned to assume the presidency. He succeeds Frank Vanderlip as president.

SOLDIER PROFESSOR.

Brigadier-General C. H. Mitchell, who has been appointed head of the Science Department of the University of Toronto, is one of the veterans of the Great War. He was born at Petrolia in 1872, educated at the University of Toronto (S. P. S.3, and then engaged in various engineering undertakings throughout the province. He went overseas as a Major in the Corps of Guides, and won steady promotion until he was made Brigadier-General. He took part in most of the big scraps of the war, including the fighting on the Italian front.

U. S. AMBASSADOR TO FRANCE.

Colonel Robert Bacon, former American Ambassador to France, has just died in New York. The late Ambassador was a pronounced friend of the Allies, and materially assisted in bringing the United States into the war. He was born in Boston in 1860, educated at Harvard, and then went into the brokerage business, eventually becoming a member of the firm of J. P. Morgan & Company. He later became Secretary of State, a member of the Senate, and then acted as Ambassador to France for three years.

SPECIAL AUDITOR.

Mr. Charles H. Godfrey, who has been appointed Special Auditor of the Grand Trunk Railway, was well known to Montreal business men. For many years he was Vice-President of the Montreal Steel Works and the Canadian Steel Foundries; later he resigned from his position with these companies to become Controller of the City of Montreal. He served the city for some years, refusing to stand for re-election when his term expired.

COL. JOE BOYLE.

Colonel "Joe" Boyle, who has been appointed Canadian Trade Commissioner to Roumania, has been in that country for the past two years looking after Canadian interests. He now returns to supervise the distribution of Canadian exports to that country, and in general will look after the business Canada expects to do with that country.

A CANADIAN EDUCATIONALIST.

The Reverend Dr. John Somerville, treasurer of the Presbyterian Church in Canada, and Clerk of the General Assembly, has just died. The late Doctor Somerville was born in Ontario in 1846, was a graduate of the University of Toronto and Knox College, and was one of the best known ministers in the Presbyterian Church.

FRENCH STATESMAN ILL.

Alexandre Ribot, who is seriously ill, was formerly Premier and Foreign Minister of France. The aged statesman, who is 77 years of age, headed the fourth French Government established since the outbreak of war in 1914. He is almost as well known a financier and writer as a statesman. Among the books to his credit in English is a biography of Lord Erskine.

A statement was made in the British House of Commons recently that the Dominions would have all the rights of other smaller nations in the League of Nations including eligibility of appointment to the executive council.

Trade and Commerce

LLOYD HARRIS URGES ACTION.

"What we want you manufacturers of Canada to do is to get after the British market, which needs everything that can be made in Canada. Go over there and look for business and you will get it, but you must do that for yourselves, we are not going to do it for you." This was one of the warnings issued to the business men at the special luncheon of the Canadian Club at the Windsor Hotel recently by Mr. Lloyd Harris, chairman of the Canadian Trade Commission in London, in the course of an address on "European Conditions and Prospects for Canadian Trade."

"On returning to Canada," said Mr. Lloyd Harris, "I found very depressing conditions here. I was willing to do this work, not so much for the Government as for the people of Canada, in order to do what I could to help in meeting after war conditions, and aid in securing export trade."

"From what I have seen it is evident that there is something wrong here. I have found a condition in some parts of the Dominion almost as bad as those in Russia. It is clear that there is something wrong. What we have to do is to find out what it is that is wrong, and rectify it. Capital may be wrong to some extent. Labor may be wrong to some extent — probably both are wrong. But we fought and won this war to make a better world, and every individual in the Dominion must feel that he has a responsibility on him to help make Canada a better country, with the best working and living conditions in the world, as it should have with its resources and opportunities."

"To attain this end capital and labor must work and pull together, and I hope the time is not far distant when they will arrive at a basis of agreement. Compromises must be made on both sides. You can make up your minds that this world will never be the same as it was before the war. We have no place in Canada for the idle rich, or the idle anybody — from now on everybody must be a worker and a producer. (Applause.)"

"If we accept these facts, and get together with the idea of compromise and production I am most optimistic as to the future prosperity of this Dominion."

Mr. Lloyd Harris said that when the armistice was so suddenly signed the Allied nations, including Canada, were just as unprepared for peace as in August, 1914, they had been for war. The Canadian Government had been the first of the Allies to form a definite reconstruction scheme, and their appointment of the Commission, of which he was the head, had excited much favorable comment in Europe.

During the war all Canadian business plans and connections had been practically brushed aside, and everything there was to sell had been taken by various Governments through purchasing commissions, so that ordinary trade connections and plans had gone, and now they must be re-established, which work his commission was appointed to help. In addition it would require great export trade to help meet the debt burdens piled on Canada by the war, so his commission had investigated the possibilities of foreign markets for our manufactured goods.

When the armistice was concluded it was found that British restrictions militated against Canadian trade. Through the efforts of the commission this was rectified, and, for the first time in the history of the Empire, there had been a practical Imperial preference. (Applause.)

Mr. Harris discussed the shortage of timber all through Europe, and said there was a great opportunity for Canadian trade there, especially after the splendid record made by our forestry corps and other soldiers overseas, which had paved a war road to peace trade.

The trouble was that France and other European countries had great needs, but were financially so hit by the war that unless credits were created they could not take our supplies for lack of means. Further he thought that any business with France would only be ephemeral, because as soon as the country had recovered from the war it would become one of our strongest competitors.

He sketched conditions in Greece, Poland, Rumania, Russia and other European countries, in all of which he thought there were great openings for Canadian trade, both in products and manufacturers, especially since the work done by Canada during the war had enhanced its reputation in a most favorable manner. There were great chances for developing exports in pulp and paper boots and shoes, and similar articles, in which the Canadian values were pre-eminent. But to secure this trade it was necessary to send men of wide knowledge, not mere salesmen.

CANADA'S TRADE WITH S. AFRICA.

W. J. Egan, trade commissioner at Cape Town, furnishes information as to the leather goods imported into South Africa from Canada and the United States. The substance of this report is given as follows:

For the first time the entry of leather belting is shown as a separate item from that of bands and belting, which took in all imports of this class. There were no shipments from Canada last year, but the United States shipped to a value of £8,680. As one Canadian leather belting firm is now represented in South Africa, some share of the trade should be secured. The big seller in beltings is on a composite belting, the figures of which are submitted further on in that part of the report referring to rubber goods.

Representation has been the means of securing some fair orders in this line, and the trade is increasing. The value of import from Canada increased over the year 1917 from 2,546 pounds, valued at £546, to 6,950 pounds, valued at £1,194 last year, and for the same period United States exports decreased slightly from 12,086 pounds to 11,658 pounds, but the value of export increased from £2,681 to £3,646.

Canada secured some nice business in cushion leather from the South African Government Stores during the past year, and another good order has been placed for delivery during the present year.

Leather of other kinds than the above and pigskin, are this year under two headings of "not adulterated" and "adulterated." In the year 1917, the import from the United States was under the heading of "other leather"; this totalled 175,367 pounds, valued at £32,823, while last year's quantity under "not adulterated," was for 95,209 pounds only valued at £32,791, and under the heading "adulterated" there was shipped last year 18,260 pounds valued at £3,118. Canada's shipments in 1917 were for 356 pounds only, valued at £102, and last year in the "not adulterated leather" the export amounted to 1,022 pounds valued at £910.

There have been a number of inquiries from Canada as to the possibilities of securing a boot and shoe trade in this country. Full particulars have been submitted, but so far no Canadian manufacturers have come forward who are able to supply the medium-priced and cheaper-grade goods required for the big share of the trade. One line of better grade goods in men's wear made agency arrangements, but owing to ocean shipping conditions there was a big delay in shipping the very good sample order placed by the agent, and unfortunately when the shipment arrived here more than one-half of the shipment

had been stolen, which prevented business being done until a representative line can be got together again.

While it is true that boot and shoe manufacturing has made immense strides in this country, there will remain a very large import trade, and it would seem as if Canada should share in this. Pre-war the vast bulk, fully 92½ per cent of the import men's trade, was held by the United Kingdom. The Americans have made big headway since 1914, when the total shipment was 20,000 pairs; this had increased to 205,857 pairs in the year 1917, which again increased to 367,575 pairs last year, valued at £253,997. Canada's shipments decreased from 645 pairs in 1917 to 437 pairs last year, valued at £527.

The American boot and shoe manufacturers have made bigger inroads in the supply of women's boots and shoes than on the men's. During the past three years they have increased considerably the lines sold by the jobbing trade, and their sales on special brand lines have increased greatly. From a supply of 42,000 pairs in the year 1914, their trade had grown to 142,000 pairs in 1917, and last year this increased to 415,123 pairs, valued at £238,079. From these figures it will be noted that they must have made a special effort on a \$2.25 to \$2.50 grade. One line of women's boots from Canada was introduced and gave good satisfaction. In another range representation is being arranged and results are sure to follow. It is a matter of price for the big business. Canada's trade increased from 126 pairs in the year 1917 to 371 pairs valued at £271.

On one line of Canadian misses' and children's boots and shoes, a sample representation order has been despatched to Canada for immediate execution; if competitive in price good business will result. Canada did not ship under this heading last year, and only 67 pairs were received in 1917. The American exports increased from 54,710 pairs in the year 1907 to 116,238 pairs last year, valued at £32,747.

Canada's trade on this line dropped from 1,120 pairs in 1917 to 256 pairs last year, valued at £43, and the imports from America increased from 2,858 pairs to 5,918 pairs last year, valued at £1,636.

There is very little prospect of big import in this line, as the industry here has arrived at that point when they can supply the greater part of this demand, with the exception of staple English lines, which have dropped in value of export for a number of years. The United States shipped to a value of £1,124 in 1917, and increased this to £2,032 last year. Canada did not ship last year, and in the previous four years at no time more than £14.

Under the heading of Leather Manufactured, N.O.D., Canada's trade increased from £12 to £88 last year, and the United States increased their exports from £3,234 in 1917, to £3,905 last year.

CANADA UNDER HANDICAP.

The Canadian shipping scarcity is attracting attention, writes the London Daily Graphic parliamentary representative, on account of the fact that while Canadian goods for England are held up on the other side, the United States, with no handicap to the use of her shipping, is able to come in here and sell over the heads of Canadians.

Last March the British Government removed the necessity for import licenses upon goods entering Great Britain from British Dominions, but this import concession is largely nullified by the fact that under the present method of British shipping control, Canada suffers both from lack of tonnage and exorbitant freight.

The Canadian manufacturers' margin of profit on low grade commodities needed in the United Kingdom and the devastated areas of Europe is not high enough to pay excessive freight rates demanded by the Atlantic steamship lines.

World of Finance

THE BUDGET FINANCIAL STATEMENT.

In commencing the financial statement as to the country's condition the Minister of Finance announced that he intended to deal with the various matters at greater length than was usual. His first point was what the war cost the Dominion of Canada and how it was proposed to meet this cost. While all calculations had not been made since the close of the fiscal year on March 31st it was possible to present a fairly accurate forecast. A total of principal expenditures compiled by the Finance Department gave the figure as \$1,327,273,848. Over the same period, April 1st, 1914, to March 31st, 1919, the expenditure upon ordinary account was \$832,757,589. Expenditure upon capital account amounted to \$180,277,873. Leaving this capital expenditure and applying the available surplus from revenue over and above the amount required to meet current outlays, it appears, said the Minister, that we have met the principal cost of the war from taxation to a total aggregate amount of \$275,943,977. Taking into account the amount contributed for interest upon war debt and for pension charges the total paid from revenue on account of the war to the end of the fiscal year just passed is \$438,293,248. On March 31st, 1914, the total national debt was \$335,996,850, while on March 31st, 1919, it had grown to \$1,584,000,000. The Minister then outlined the measures taken with regard to the troops since the signing of the armistice and stated that so far as expenditure was concerned the past year could be counted a war year. Demobilization during the present year 1919-1920, he estimated at three hundred million. As no substantial part of this could be paid by revenue he estimated that the total net debt of Canada would stand at not less than \$1,950,000,000. The increase in the debt would therefore amount for the five years of war to approximately \$1,614,000,000. This debt which amounts to over \$220 per head of population in Canada is nevertheless not as great as in the case of European nations, including Great Britain. "In considering the subject of our national debt, an important aspect from the viewpoint bearing upon our financial standing and credit is whether it is owed to our own people or abroad," said the Minister. In round figures the total outstanding securities of the Dominion Government are held as follows: in Great Britain, \$362,700,000; in the United States, \$150,873,000, and in Canada, \$1,510,000,000. Sir Thomas went on to say that a gratifying feature of our finance is that the majority of our securities constitute long date obligations. "On account of this being as respects expenditure a war year, we will have to float at least one further loan in Canada for purposes connected with the war and demobilization." "As the aggregate of our war expenditure issues exceeds our net war expenditure it is to be pointed out that during the war we were enabled to make advances to Great Britain for her purchases in Canada to a greater extent than we availed ourselves of advances from the Imperial Government to meet our war expenditure in England and on the continent. The result is that there is owing to us by the Imperial Government a balance, after making the necessary set-offs of about two hundred and thirty million dollars." "A comparison with the note issues of Great Britain and other Allies, including the United States, which was less than two years in the war, is such as to cause satisfaction to Canada with respect to the post-war condition of our currency." The interest on our national debt will be \$115,000,000 as compared with \$12,893,504 before the war. There is a further responsibility for pensions to be added to this responsibility. For the past fiscal years this amounted to \$17,460,000,

while for the present one it may be thirty millions. For a generation to come we may look forward to an annual pension expenditure of from thirty-five to forty million dollars said the Minister. He then went on to outline how the country should be administered and what things should be brought about to allow this Dominion to pay her way and meet her heavy responsibilities. Having disposed of this question of our position both financially and commercially, with regard to which latter he noted that the balance of trade had changed from three hundred million dollars against us in 1913 to over six hundred million dollars in our favor in 1919 and three hundred and forty million in 1919, he took up the question of estimated expenditure in the present fiscal year. After reviewing the year of 1918 he announced that main estimates already brought before the house for the fiscal year amounted to \$437,000,000 with supplementary estimates yet to come. Of these estimates considerable amounts represented investments such as twenty-five millions for soldiers' land settlement, thirty-five million loaned to the Canadian Northern Railway Company, thirty-five million for railway equipment purposes and twenty-five million advanced as loans to the provincial governments for promoting better housing conditions. Estimated expenditure on ordinary account amounted to \$270,000,000 for the present year of which \$102,000,000 represents interest on the national debt. It includes also \$30,000,000 for estimated pension expenditure. The estimated expenditure on capital account is placed at fifty millions. As \$30,000,000 is the estimated demobilization expenditure the sum of \$602,000,000 is estimated as the total expenditure for 1919-20. On the basis of the past year the revenue will amount to \$280,000,000. Thus it will be seen that our revenue will allow us to pay our ordinary expenditure only and leave but a small amount to be applied to other purposes. Sir Thomas then proceeded with his tariff and taxation proposals.

BRITAIN'S SCHEME OF WORLD FINANCE.

In referring to the proposal brought forward by Sir George Paish and Mr. J. A. Hobson for dealing with the present financial condition of the world, which situation, if left to itself would most probably paralyse the power of economic recovery and breed grave social disorders in every country. Lloyds Bank Monthly Financial Report states that the solution is a bold one, and the authors deserve credit as the results of a collapse of world credit would certainly be so terrific in their universal application that it is necessary that all possible avenues of a way of escape should be thoroughly explored. In the opinion of Sir George Paish and Mr. J. A. Hobson it would be foolish to get out of Germany a much larger sum than 50 millions per annum for reparation, and the task of financing the material restoration of France, Belgium, Serbia, etc., they suggest must be done by a large international loan, towards the repayment of which Germany must make her annual contribution. But this furnishing of immediate credit for the work of reparation cannot be separated from the still graver obligation of dealing with the vast amount of floating debt incurred by the several Entente nations. The internal indebtedness of these nations will form a difficult problem, but one that is simplicity in itself in comparison with the task of meeting the foreign debts at maturity or even of redeeming them over a period of years. The position of England is not easy, while France is also in a difficult situation, and Italy is perhaps worse off. Austria and Russia are hopelessly insolvent. The authors of the scheme therefore come to the conclusion that all nations must contribute towards a common financial project, pooling for this purpose their several credits, and thereby creating an international credit much

stronger than the mere aggregate of the separate national credits. They suggest a loan of some 5,000 millions for the purpose of repairing war damage, reorganising the finances and currency of Russia and funding the foreign debts, which amount on balance to about 3,000 millions. This loan must be guaranteed both severally and jointly by all the contributory Powers, so that if any one Power should fail to provide its quota of interest and sinking fund the rest would jointly accept responsibility for the deficit. Each nation must contribute according to its presumed ability, i.e., according to its present and early future credit. The proportionate contributions are suggested as: America, 20 per cent, Great Britain, 20 per cent, Germany, 20 per cent, France, 10 per cent, Russia, 10 per cent, and the minor countries, including the British Dominions and India, and the neutral countries the remaining 20 per cent between them. It is suggested that the loan should be made free of taxation in every country. It could probably be placed at 4 per cent, and with a 1 per cent sinking fund, the sum required each year for interest and repayment would be 5 per cent. It would be a strong security for bankers in all countries, inasmuch as it would be freely dealt in everywhere, and would be of considerable value for the purpose of adjusting exchange. The conclusion arrived at is that "the burden of the war debts will be too great for the world to bear, if they are imposed only upon the nations and the persons who have suffered most from the war, and, through their inability to bear them, will bring about a complete collapse in the credit of every nation. But the burden can be borne with toleration, if not with ease, if the peril to which such a dread alternative exposes the world, induces the nations to co-operate and take collective and effective action to overcome it."

Whether this particular solution would be the most effective of such avenues, concludes the report, remains to be seen.

OVER FIVE HUNDRED JOBS A WEEK

Owing to the strike situation in Winnipeg, the reports from the Manitoba Employment Offices for the week ending May 17th, have not yet been received. Seventy-four offices in the remaining eight provinces, however, reported that they have referred 4,672 persons to positions during the week and had received notification that 4,452 of these had secured regular employment. In addition 340 casual jobs were supplied. This represents a slight improvement over the previous week when the Employment Service in these eight provinces reported 4,429 regular and 399 casual placements. The total placements in the nine provinces for the week ending May 10th, was 4,737 regular and 591 casual.

Of the regular placements for the week ending May 17th, 2,152 were soldiers and 334 were women.

Prince Edward Island reported 80 placements for the week, an increase of 39 over the preceding week; 147 were reported by Nova Scotia, an increase of 19; 218 by New Brunswick, an increase of 27; 436 by Quebec, an increase of 26; 1,734 by Ontario, a decrease of 85; 510 by Saskatchewan, an increase of 5; 813 by Alberta, an increase of 37; and 514 by British Columbia, a decrease of 35.

During the week 6,744 applicants were registered and 5,632 vacancies were notified by employers. At the end of the week 8,176 applicants were reported unplaced and 5,295 vacancies remained unfilled. If the unfilled vacancies 2,079 were for farm laborers and 1,252 were for women workers. These two classes account for 62.9 per cent. of the total unfilled vacancies. On the other hand only 497 or 11.2 per cent. of the placements were for farm laborers, and only 334 or 7.5 per cent. were for women workers.

Shipping News

THAMES PAYS TRIBUTE TO MARINE.

One of the greatest days of the peace celebrations in London will be the tribute of the Thames to the Mercantile Marine, when 1,300 boats manned by merchant men, and decorated with flags, will form a pageant from the lower bridge to Chelsea. It is hoped that on this occasion all London will be singing, led by choirs of 50,000 trained voices, located along the river banks. Thirty bands have been arranged for, and the decorations of the shores and bridges and strings of barges will be of a kind never before attempted in the history of the Thames.

ITALIAN SERVICE STARTED.

The steamship "Arnaldo da Brescia," which arrived in Montreal on Friday last from Spesia, Italy, will sail in about five days for an Italian port with a cargo of wheat and foodstuffs for the Government, and will be the first sailing for that country this year. The Brescia was here two years ago, and since that time has been running to South America and India. Furness, Withy and Co., are the agents.

Chief Officer Nicola, had what he terms the usual experience of the times, two years ago, when he was torpedoed on the Fedorigo Confolonieri, 100 miles southwest of Ireland, and after 32 hours in the water, was picked up by an English boat, the Panare, going from New York to Avonmouth.

Another departure for Italy is that of the Monviso to-day, for which the Robert Reford Company are agents. This will carry 130 carloads of frozen beef, which will be the first cargo of the kind shipped by Canada to Italy.

CORSICAN'S CAPTAIN'S EXPERIENCES.

Commander W. Davidson, R.N.R., who brought the Corsican up to Montreal for the first visit this season, has during the war undergone some interesting experiences, having in turn served as commander of an armed cruiser, commander of a torpedo boat destroyer and commander of an armed yacht. On duty in far northern waters, he was for some time engaged in the area where Lord Kitchener perished, and he narrowly escaped being drawn into the battle of Jutland. At one time he was engaged on the Dover patrol, one of the most dangerous spots for submarines and destroyers which were watching for a chance to break through the Straits of Dover to hold up the passage of troops, while at the time of the rebellion in Ireland he was patrolling the coast around Queenstown, and it fell to his lot to escort the prisoners taken off the ship that tried to land Roger Casement. Later, he was engaged on the transport of American troops, and since the armistice he has carried many troops home. Among these troops have been several batches of Newfoundland's contingent, and the voyage just concluded brought to the old colony another thousand of its hardy fighters. In recognition of his services to the Newfoundland contingent, the Government of the Crown Colony has presented Commander Davidson with a massive silver salver, on which is an inscription setting forth that the presentation was made by the Newfoundland Government "in appreciation of his valuable services and willing co-operation in transporting drafts of all ranks and dependents of the Newfoundland expeditionary force from Great Britain to Newfoundland." Other souvenirs handed to Commander Davidson included a set of stag's horns and a cigarette case.

HEAD ON COLLISION.

The Emperor, second largest ship in the world, was in collision with the 7,200 ton steamship Agwidale, forty-eight miles northeast of Nantucket lightship and 225 miles off the American coast last Wednesday. The latter's bow was crushed but she was not seriously damaged and the Emperor escaped injury.

There was a heavy fog off the coast, and both ships were proceeding slowly, sounding their sirens. When the Emperor saw the smaller vessel suddenly loom up in the mist they were so close it was impossible to avoid a head-on blow.

The U.S.S. Tiger, which was near, sent out an S. O. S. which was picked up by the Cape Cod wireless station. All three ships stopped and prepared to launch lifeboats, but an examination showed that the Agwidale was in no danger. The Emperor proceeded on her way and the Agwidale resumed her trip to New York under her own steam and is expected to-morrow.

The Emperor sailed the preceding day from Hoboken for Brest in charge of Captain C. B. Morgan, who is making his first trip as commander of the big vessel. Because of this, and because it is the first return trip to Europe since the world war started, unusual ceremony attended its departure.

The Agwidale, which is operated by the United States Shipping Board, left Rotterdam in ballast on May 22 for this port.

"S. S. JUSTITIA'S" RECORD.

Partial payment by the British Government to the Holland-America Line for the loss of the steamship Justitia, which, as the Statendam, was taken over by the British at the outbreak of the war from the ways at Belfast, has already been made, according to a statement made by William von Doorn, general manager in the United States of the Holland-American Line. "As partial payment for the loss to us of the Statendam," said Mr. Van Doorn, "the British Government has agreed to turn over to us at once 60,000 tons of shipbuilding material, part of which we have already received in Holland and which is now being used in the construction of cargo steamers for the Holland-America Line. The Statendam, as the Justitia, it will be remembered, was torpedoed after the British Government had taken over our partially completed steamer from the shipyards in Belfast. Compensation to us for the loss of the Statendam, which was to have been the largest passenger steamship of our fleet, displacing something like 50,000 tons, has not yet been settled, but as temporary partial payment we have been allotted 60,000 tons of shipbuilding material, a portion of which we are now using for the construction of cargo steamers, at Rotterdam."

The Justitia was familiar to many Canadians, as it was for some months the most regular troopship sailing from Liverpool to Halifax, and it ranked with the Olympic as one of the unnamed "big transports."

Mr. Van Doorn further states: "It is the intention of the Holland-America Line to construct 12 cargo boats, of about 12,000 tons deadweight capacity each, out of the steel and other material now turned over to us by the British Government. We are also building two combination passenger and cargo steamers in Holland ourselves outside the arrangement with the British Government.

"The Wilton shipyards at Rotterdam are now so equipped as to permit of the construction of vessels of the size of the Rotterdam, which displaces 34,000 tons, so that we shall be entirely independent of the British shipyards, which have turned out most of the Holland-America Line steamers up to now."

Leather World

TORONTO LEATHER MARKET.

Selling prices at wholesale houses of a few standard lines:—

Spanish sides, No. 1	\$0 65 to \$0 67
do No. 2	63 to 65
do No. 3	60 to 63
Trimmed backs, 33 per cent., trimmed,	
No. 1, or best	88 to 89
do No. 2, or good	84 to 85
do No. 3	79 to 81
Trimmed bends, 50 per cent. trimmed,	
No. 1, or best	96 to 98
do No. 2	94 to 96
do No. 3	86 to 88
Oak sides (Canadian), No. 1, or best ..	69 to 70
do No. 2, or good	65 to 66
Oak bends, No. 1, or best	1 00 to 1 04
Hemlock roundings	42 to 00
do shoulders	52 to 00

THE LEATHER MARKET.

Receipts of leather in the Montreal market for the past week were in excess of seven thousand rolls, being a gain of one thousand over the preceding week, and over three thousand from the corresponding period a year ago. A fairly active business in both sole and black leather is reported at firm prices. This applies both to domestic and foreign sale. Prices ruled as follows in the local market:

Oak Bends, No. 1	90c.
Oak Bends, No. 2	86c.
Oak Bends, No. 3	80c.
Hemlock Bends, No. 1	87c.
Hemlock Bends, No. 2	83c.
Hemlock Bends, No. 3	76c.
No. 1 Hemlock Sole	58c.
No. 2 Hemlock Sole	56c.
No. 1 Oak	67c. to 68c.
No. 2 Oak	65c. to 66c.
No. 3 Oak	62c. to 63c.
Prime Slaughter Oak	65c. to 66c.
Waxed Upper	78c. to 79c.
Smooth grain, per foot	43c.
Chrome Box grain, per foot,	43c. to 45c.
Wax Splits, per lb.	40c. to 42c.
Belting butts, shoulder off, per lb.	\$1.60
Belting butts, shoulder on, per lb.	\$1.40
Shirtin	34c. to 35c.
Smooth grain, per foot	43c.

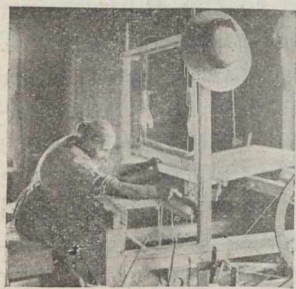
A steady demand for green hides was experienced at firm prices and the demand exceeds the supply to date. Calfskins meet with a ready sale and sheepskins are steady. There is an active business in this market generally. Receipts of raw hides are some thousand bundles both of the previous week's and previous year's figure.

NEW TARIFF AFFECTS LEATHER

The Finance Minister's budget calls for the removal of the surtax of 7½ per cent upon boots, shoes, gloves and mitts, hides, skins, leather, harness and saddlery in addition to other commodities under the head of necessities for the individual citizen and for basic industries. This will affect the leather trade in a number of ways. While more scope is given to foreign competitors in the Canadian market as regards manufactured leather goods the removal of the tax will enable tanners to obtain supplies of hides from abroad, notably from the United States at a reduced price. This will enable them to sell their leather at a correspondingly reduced figure, and this in turn will allow the manufacturer of leather goods to reduce his price to meet foreign competition in the finished product. This should therefore, on the face of it, not only reduce the price of leather goods to the Canadian consumer, but also protect the manufacturers of leather and leather goods so that they will not be the losers by this reduction. Time alone, however, will demonstrate whether this will be the result.

CANADA'S TEXTILE INDUSTRY

TEXTILE ORIGINS.



It is a great mistake to suppose, as is often the case, that the art of making up flax, wool and silk, dates from comparatively recent times. We can go back with confidence to a period six thousand years ago. Monuments of this early period prove to us that even then there was a culture in ancient Egypt which did not exclude the textile industry; on the contrary, its existence may be proved almost with certainty.

About the year 4000 B.C., King Mena is said to have reigned over Egypt. He was accused by his successor of having enervated his people by excessive luxury. The author Ebers informs us how King Teta's mother occupied herself with the study of physic and concocted a lotion to make the hair grow. It may be fairly concluded that a race of people who were in need of some means to make the hair grow more freely than in the natural condition, would not have neglected the protection and adornment of the other parts of the body; hence the existence of a textile industry may be easily inferred.

In a series of centuries we find that forms of certain animals, plants, etc., which were deemed sacred to religious service, were used symbolically for the designs for clerical vestments. This was particularly the case with the Assyrians and the paintings of this race were very much like those of the Egyptians. In these pictures the Assyrians were represented as being dressed in long loose gowns with fringes, and embroidered to represent beasts fighting. The Bible makes mention of weaving of an Assyrian character. Moses says of the makers of the ten large tapestries of the Tabernacle which were ornamented with cherubim:—"Them hath God filled with wisdom of heart, to work all manner of work, of the engraver and of the cunning workman, and of the embroiderer in blue, and in purple, in scarlet, and in fine linen, and of the weaver. About the official dress made for Aaron, Moses says:—"And they did beat the gold into thin plates, and cut it into wires, to work it in blue, and in the purple, and in the scarlet and in the fine linen, with cunning work. And they made upon the hems of the robe pomegranates of blue, and purple and scarlet and twined linen."

A third great state of ancient culture was China. This empire has an important connection with the textile industry, being the native country of the most precious material for weaving—silk. The strict custom of destroying with fire the dresses of the dead, accounts for the fact that few or no remnants of old Chinese textile production are preserved.

In Europe it was the Greek nation that laid the foundation of European culture. Until 1879 we were only able to draw conclusions as to the designs of Grecian stuffs from the decorations of old buildings.

EARLY HISTORY OF TEXTILES IN CANADA.

A Story to induce Hero-Worship—Pioneers of the Industry—Development of the Industry from the 17th Century to the present day—How the change from hand to power Looms took place.

The early history of manufacturing textiles in Canada, if not one of romance, is a record that would almost induce hero-worship of the pioneer settlers of this country. Their perseverance in overcoming obstacles, their obstinacy in refusing to submit to the restrictive and even prohibitory laws enacted by both the French and English home Governments for the trade and financial benefit of home manufacturers, and their ultimate success, all call for admiration and expressions of wonderment from those who view the beginnings in retrospect at this distant date.

In Canada, as in all other countries, the manufacture of textiles, one of the most important occupations of mankind, commenced as a household industry with the pioneer settlers who located in Acadia and New France (now Quebec), in the seventeenth century, and it was not until the early part of the 19th century that it began to drift away from being a purely domestic industry and become a commercialised and concentrated business, a mechanical industry carried on in power-driven factories, every factory having many departments, each devoted to one or more details of the manufacturing process.

In isolated districts throughout Canada, the rattle of the hand loom and the hum of the spinning wheel may still be detected, but these are merely echos of an age long past, yet a reminder to those engaged in the industry as it is now carried on, of the early struggles and the handicaps that burdened the pioneers in the industry.

When the immigrants from France settled in Quebec they found themselves under the necessity of making their own clothing, owing to the lack of cheap transport facilities between them and the older settled countries, and thus it was that in the early days of Canadian settlement, as in still more primitive days in other lands, almost every Canadian housewife could knit and spin, card, weave, and dye the cloth which was afterwards fashioned into wearing apparel for the members of the household.

Three Hundred Years Ago.

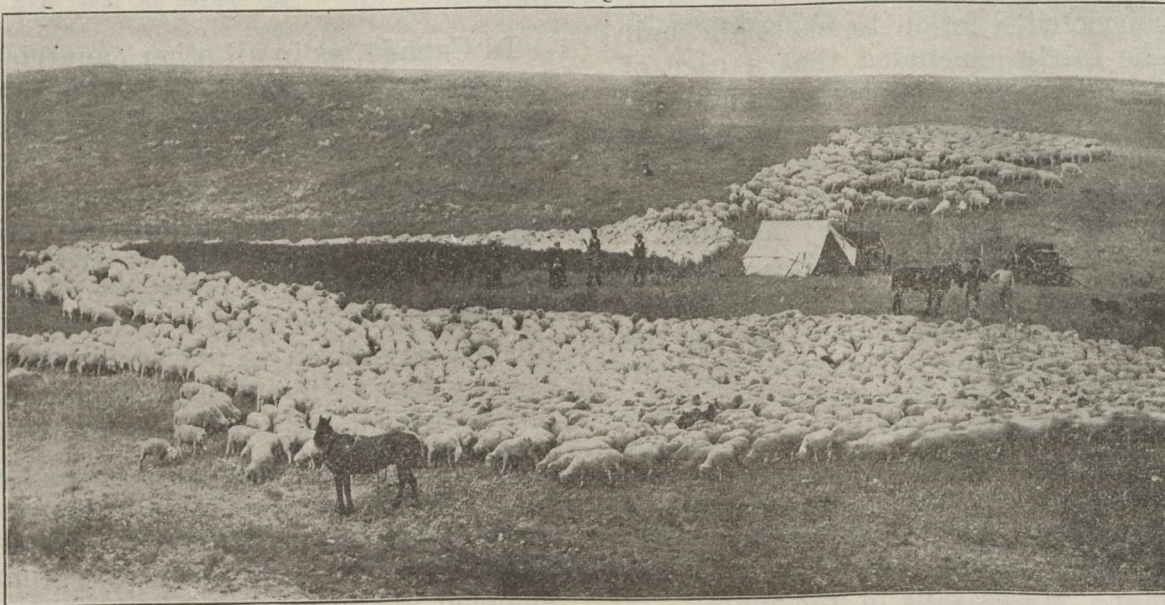
To the French who settled in Quebec belongs the honor of having originated the manufacture of woolen and linen fabrics in Canada. As early as 1668, along the St. Lawrence, sheep-raising was not the least of the activities of the French settlers, and in the Jesuits' Relations we are told of the beginnings of weaving, hat-making, rope-making and shoe-making in that year. A decade later, a census taken in Quebec, or New France as it was then designated, showed that there were four weavers of cloth, one weaver of carpets, one ribbon weaver, one carder

and six hatters. At that time there were in the neighbourhood of 600 sheep, and by 1695 that number had increased to 918. In Nova Scotia, however, then known as Acadia, there were 173,731 sheep in 1693. By the year 1720, the number of sheep in New France had increased to 12,175, and the returns made that year showed that 5,080 pounds of hemp were raised in New France and 45,970 pounds of flax. In the next quarter of a century the flax product had doubled, but the hemp production had decreased by fifty per cent.

There was no protection for the textile industry in Canada in these early days. Instead of the weavers being helped by the Government, the home Governments, both English and French, prohibited manufactures in the colonies. This policy, it will readily be seen, enabled the manufacturers in France and England to exploit the colonies, to maintain their prices and grow rich through that exploitation. But as is usual in such circumstances and under such conditions, the exploitation was carried too far. The extortionate prices demanded by the companies to which the English and French manufacturers farmed out the trade, first of all induced the smuggling of cloth,

them the young girls in their care were taught to spin and weave wool and flax. As these girls went out into the world in ever-increasing numbers, the knowledge of the trade became general all over New France. But these pioneers in the weaving of wool and flax were confronted with many obstacles. The same policy of restriction and prohibition which brought about the revolution in America, was applied, or attempted to be applied to the colonists in Canada. No objection was made to the colonies of Great Britain trading between themselves in a number of specified articles, but the law was emphatically laid down in no fewer than twenty-nine Acts of Parliament between 1660 and 1764, that the exportation of wool and woollen manufactures and hats was prohibited, this prohibition being specifically intended to prevent the establishment of any manufacturing of such commodities in the colonies to the injury of the export trade of the mother country.

With the American revolution came a larger measure of freedom and independence for the industry in Canada. The French settlers were encouraged by administrators, as Talon had encouraged them, towards self-dependence, but even after



A WESTERN SHEEP "ROUND-UP."

and ultimately resulted in giving an impetus to the weaving of cloth in New France. In the end a number of people received permission from the Colonial authorities to weave cloth in Canada, but perhaps a greater number continued to weave without that official permission and in spite of the official prohibitory ban.

At this time the need for local textile plants in Canada was realised by the settlers, and by Intendant Talon more than anyone else, who assisted in making the home Governments see the necessity by pointing out that in times of stress, such plants would be of great benefit to the Governments at home. He emphasised that need by his boldness in establishing such plants and before long being able to write:—"I have of Canadian make wherewithal to clothe myself from head to foot." In 1671 he was able to report that he "had caused druggets, coarse camlet, bolting cloth, serge woollen cloth and leather to be made in the colony."

Nuns The First Technical Instructors.

The Nuns of the Ursuline Convent were the first technical instructors in textiles in Canada. By

the American revolution, the jealousy of the English manufacturers had not subsided and they continued to protest against the development of the industry in Canada and to do everything in their power to restrict the trade here and retain for themselves a monopoly. As Murdock, the Nova Scotia historian, put it:—"It is obvious from this as well as from a multitude of other facts that a close jealousy existed among the manufacturers of England against any attempts in America to do anything in that line, and this narrow policy, influenced by a few avaricious capitalists engaged in manufactures did more to lose the old provinces to England than any other circumstance."

Lieut.-Governor Franklin, of Nova Scotia, unwittingly no doubt, added fuel to the fire of jealousy which was inflaming the English manufacturers against the colonies. Writing to the Earl of Shelburne in 1766, he stated that "the country people in general work up for their own use into stockings and a stuff called by them "home-spun," what little wool their sheep produce; and they also make a part of their coarse linen from the flax they produce. The township of Truro, Onslow and Londonderry, consisting in the whole of 694 men, women and chil-

dren, composed of people chiefly from the North of Ireland, make all their linen and even some little to spare to the neighboring towns. This year they raised 7,524 pounds of flax which will probably be worked up in their several families during the winter."

Immediately the English manufacturers got busy and made investigation as to the extent of the progress that was being made in Nova Scotia along those lines, and Governor Franklin was under the necessity of making it appear that all the manufactures he had reference to were made by farmers, lumbermen and fishermen during the spare hours they had free from their ordinary occupation.

Machinery Was Home-Made, Too.

The wonder is that with all these difficulties to face and obstacles to overcome, with the power of the Government against them, the pioneer settlers in Canada were able to secure a footing for the industry at all. But they succeeded and succeeded well, and at this distance, and from the present day point of view, we cannot bestow too great praise on the self-reliant, persevering men and women, who,

describing the fabrics and costumes produced by the primitive means at that time, says:—"Out of doors and in winter especially, the costumes of the nobility were more distinctively Canadian. Overcoats of native cloth were warm with large pointed hoods. Their pattern is preserved to the present day in the blanket coats of our snow-shoers. Young men might have been seen going about in colors that brightened the winter landscape. Gay belts of green, blue, red or yellow enriched the waists of their thick overcoats; their scarlet leggings were laced up with green ribbons; their moccasins were gorgeously embroidered with dyed porcupine quills; their caps of beaver or marten were sometimes tied down over their ears with vivid handkerchiefs of silk. The habitants were rougher and more sombre in their dress. A black home-spun coat, grey leggings, grey woolen cap, heavy moccasins of cow-hide, was a common outfit. This grave costume was usually brightened by a belt or sash of the liveliest colors. The country women had to content themselves with the same coarse homespuns, which they wore in short full skirts, but they got the gay colors which they loved, in kerchiefs for their neck and shoulders."



A WESTERN RANCHING SCENE.

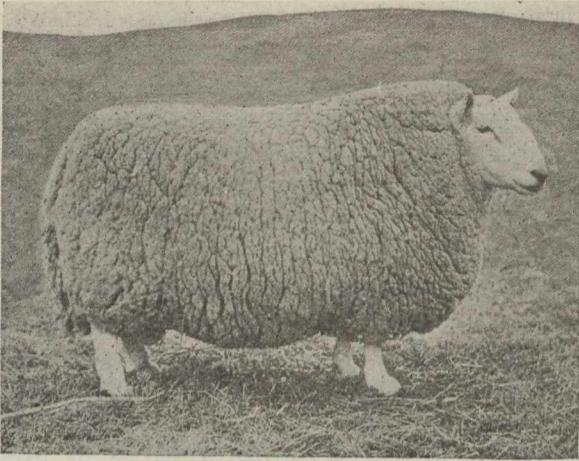
in those early days, not only made the fabrics but also constructed the machinery on which the work was done. The wool-carding was done on something that resembled a curry-comb, the spinning was done on hand wheels of various sizes and designs, the looms and even the reeds were made of wood, while the yarn was doffed on hand rules.

There was no German monopoly of dyes in those far-off days, but the pioneers loved colors and they took them from nature's own laboratory, using madder root for Turkey red, indigo for blue, oak for yellow and lockwood for blacks and browns. From the Indians the pioneers received valuable information regarding colors that were yielded by roots and berries, among these native dyes being various shades from red to green and brown secured from the sumach and in combination with other vegetable dyes.

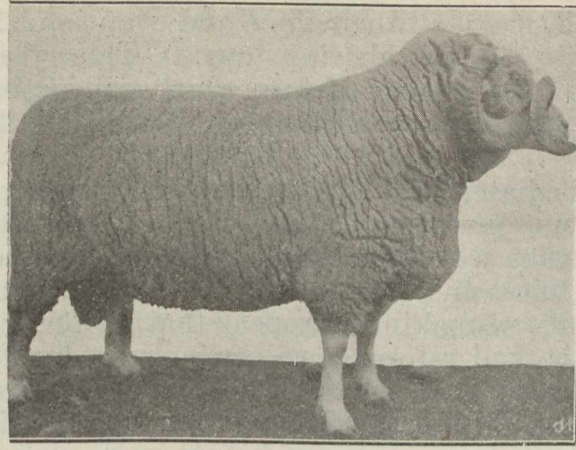
Distinctive Canadian Costumes.

And how were the people clothed in these days? What did they wear? What styles were affected by the common people and the dandy? We get a glimpse of that from Charles E. D. Roberts, who de-

From that description it will be seen that the dyeing was not an unimportant feature of the industry even in these early times. Around the Indian village of Lorette, not far from the city of Quebec, there still survives the industry of making bright and many-colored sashes which were worn by the habitant in the days of long ago, and which are still a feature of the present-day snow-shoe costume. These articles are braided, instead of being made on the ordinary loom, and as a matter of fact, this peculiarly compact fabric has not yet been successfully imitated on the loom. Owing to fact that it is naturally a slow process, each sash taking about two weeks to manufacture the "ceinture fliche," as it is called, has always been an expensive article, some of the most expert operators receiving as much as fifty dollars for a sash. In the making of this sash, the strands forming the warp are tied to a pole which is suspended from the ceiling, while the other end of each strand is attached to a weight. As the threads are braided in, according to color, the tension produced by the weights not only avoids tagles, but it produces the marvellously compact fabric.



THE CHEVIOT SHEEP.



DORSET HORN RAM.

Introduction of Mechanical Power.

It was not until the beginning of the nineteenth century that mechanical power began to be used in the manufacture of textiles. The first patent issued in Canada was for a felting machine and washer. Noah Cushing, of Quebec, took out this patent in 1824. The first carding machines were of American design, the maximum width of the cylinder being only thirty-six inches, but it was not long before Canadian machinists adapted and reproduced these. The rapidity with which the cylinder carding machine spread throughout Lower Canada, is indicated by the fact that in 1827 there were no fewer than 91 carding mills and 79 pulling mills, while in Upper Canada, in the year 1842, there were 186 carding mills and 144 pulling mills. A census taken in 1851 showed a total of 385 carding and pulling mills and about 250 small weaving plants apart from the weaving done in the homes of the people, in Upper and Lower Canada and the Maritime provinces. At that time it was estimated that there were over forty thousand hand looms in the Canadian provinces, producing nearly 6,500,000 yards of home-made cloth and flannel.

From that time on, hand loom weaving failed to keep pace with the increasing population. When another census was taken twenty years later, 1871, the volume of the homespun product had been increased by two million yards, compared with the output in 1851, and by 1891 that output had dwindled to four and a half million yards of home-made

cloth, more than half of it coming from the province of Quebec. The change from hand loom weaving to power-driven mechanical weaving, did not take place overnight. There was a time when textile manufacturing was carried on partly by hand and partly by power. During that transition period, roughly speaking between 1835 and 1845, there were scattered all over the country carding mills at which the farmer had his wool carded which was subsequently spun by the farmer's wife or daughter and knit into socks, mitts, caps, etc., or woven into cloth, which was sometimes taken back to the mill to be pulled and finished.

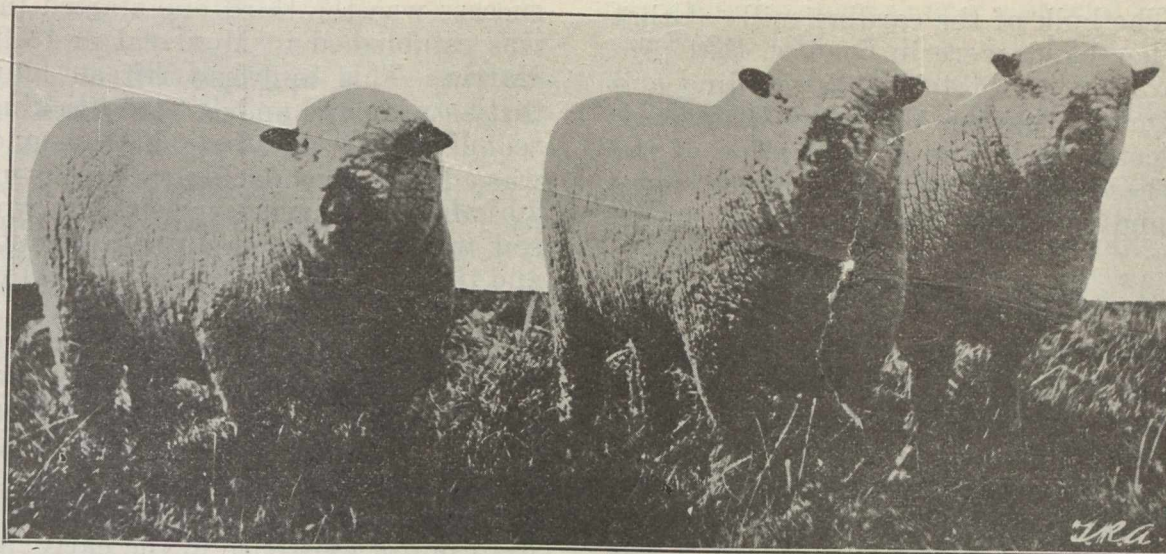
Canadian Cloth Famous for its Strength.

These cloths were famous for their great strength. The wool from the sheep was long and there was no re-manufactured fibre in it. As was only natural, the factory system gradually overwhelmed the handloom. This was hastened by the increasing demand for cheaper goods, and in process of evolution, the farmer began to specialise in his own work and womenfolk turned their nimble hands to other lines of work. Sheep-raising fell into desuetude, especially in the older provinces, and the process of change has gone on until there is now hardly a "custom" carding mill to recall the era of textile manufacture and what it was prior to the establishment of the modern factory system.

Among the best known woolen mills in Ontario at the beginning of the factory system was that established by Messrs. Barber Bros. at West Flamboro,



MERINO RAMS.



SHROPSHIRE RAM LAMBS.

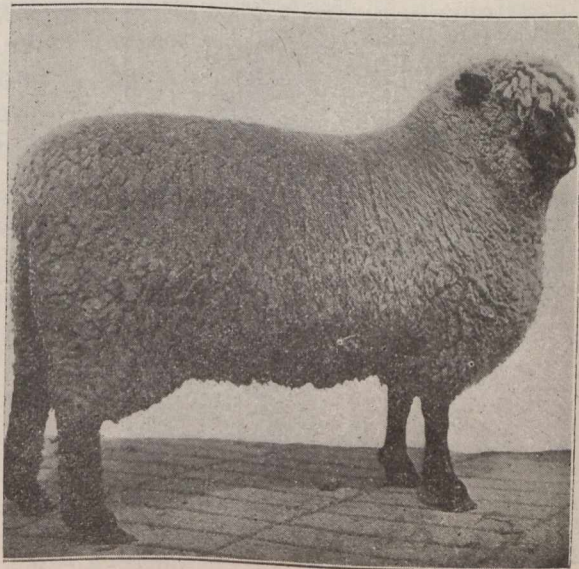
which was afterwards removed to Streetsville and still later to Georgetown, where the descendants of those pioneers are still located and are prominently identified with paper manufacture. The Barber mills produced tweeds, carpets, flannels, and shirtings. In 1862 it had two thousand spindles and produced nearly twenty thousand yards per month with less than a hundred hands. The first mill, however, in which all the different processes were carried on by machinery was that started by Mahlon Willett at L'Acadie. This mill was equipped with a 24-inch carding machine, a spinning Jenny of seventy-five spindles, and two looms and a "Billy" for making slubbing. This mill was removed to Chambly in 1830 because water power was available there, and it was there, seven years later, that the new system of a first and second breaker and the condenser, or the modern carding system was introduced.

In 1862 Fraser and Crashaw's mill at Cobourg, which was established twelve or thirteen years before, had forty-five looms and employed one hundred hands. It is at this mill that we have the first record of aniline dyes being used in Canada, a dyer having been imported from France. Andrew Paton, in partnership with a man named Patrick, made the first Scotch tweeds in Canada at Galt, Ont. Removing to Sherbrooke, Que., in 1866, Mr. Paton laid the foundation of what is now one of the largest woolen and worsted mills in Canada, the Paton Manufacturing Co.

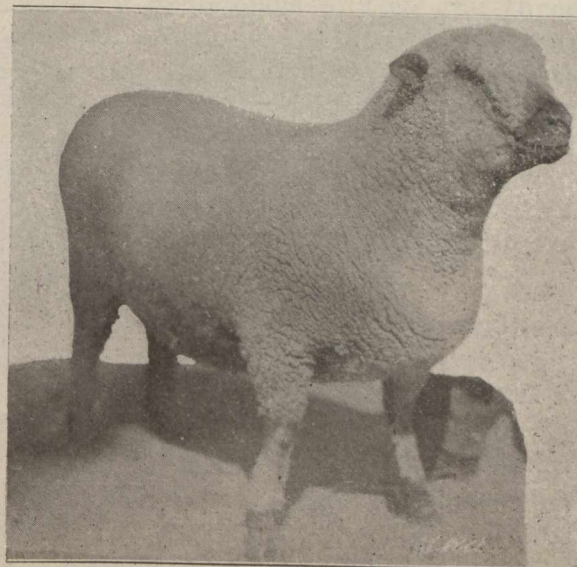
The county of Lanark was fortunate in having a large and hardy class of Scotch weavers settle there. With Almonte as the centre, these Scotch immi-

grants developed the woolen industry throughout the county. One of those pioneers started a mill with three looms and 120 spindles at Carleton Place. In 1857, the same man, James Rosamond, erected a mill at Almonte, which later became the second largest woolen and worsted mill in the country — the Rosamond Woolen Co. These were happy days for the Canadian woolen manufacturer. Shoddy was unknown then. The trade had not begun to demand the cheaper but less endurable product, the consumer generally being content to pay more for home goods than for the imported article. Would it were the same today. Furthermore, there was not anything like the same demand for a variety of patterns. Whereas in these modern days the wholesaler demands a hundred different patterns from one mill, and only a dozen or so pieces of each pattern, in the old days, a large dry goods house like that of George Stephen and Co., Montreal, would order a thousand pieces of a single pattern. In that respect the trade has changed enormously, and unfortunately it has changed in another and important respect, for while in these by-gone days, the dry goods dealer never failed to boost the product of the home manufacturer and helped him to maintain prices to give him a living profit at any rate, the dry goods merchant of today does not generally exert himself in that direction.

The first census taken after Confederation showed 270 woolen factories, with 4,453 hands and an annual product valued at \$5,500,000. Of that number no fewer than 233 were in the province of Ontario, 23 in Quebec, 6 in New Brunswick and 8 in



OXFORD DOWN EWE.



SHROPSHIRE EWE.

Nova Scotia. The bulk of the carding mills at that time, on the other hand, were in Quebec, that province having 323 out of a total of 650 carding and pulling mills, Ontario having 158, New Brunswick 70 and Nova Scotia 99, but as an indication of the small size of these carding mills, not many more than twelve hundred hands were employed in all the 650 mills.

First Cotton Mill at Sherbrooke, Que.

The first cotton mill was erected in Canada in 1844. Sherbrooke, Que., had this honor, and this mill, in addition to its being noteworthy as the pioneer cotton mill, it also had notoriety as being the first limited liability company in this country. When the bill to allow this limited liability company to operate in Canada came before Parliament, it was opposed, and strenuously opposed, by Sir John A. Macdonald. Sir John did not attempt to block the establishment of cotton mills in this country, but he advised Parliament, in dealing with the application for a limited liability, to go warily in the interests of the shareholders and the public. The committee, however, to which the bill was referred, reported in its favor, the members justifying their action by pointing to the large amount of capital—\$60,000—required to start a cotton factory. It may interest many to know that one of the promoters of this company was Sir Alexander T. Galt, son of John Galt, the author.

This mill had only twelve hundred spindles. Adam Lomas was the first manager, and later he established the Lomas Woolen Mill in the same town. Grey sheetings was the product of this mill. Several years after it was built it was burnt down. In the same year—1844—permission was asked to incorporate the Chambly Cotton Manufacturing Co., but the project never materialised. The first cotton batting produced in a Canadian mill came from a mill erected at Thorold, Ont., in 1847. But this mill was not a success, partly due to lack of capital and partly due to lack of skilled operatives. It was operated for a period of two years at a loss, and then closed down until 1856, when a couple of men from the Southern States took hold. Their career was short-lived, and the mill was then taken charge of by James Munro of Thorold, the first secretary, and in 1864 the chequered career of this mill was brought to a definite finish by fire which swept it out of existence.

The first mill to attain any definite measure of

success was the third one started in Canada. This was established in Montreal in 1853 by Mr. F. W. Harris. This mill had fifteen hundred spindles, forty-six looms, and it made tickings, denims and seamless bags. Later a batting and wadding mill was added. The machinery in this mill cost \$30,000, 70 hands were employed, mostly women and children, whose wages amounted to about \$10,000 a year, and the daily output was about 300 yards of denims. The denims were finished without starch or other stiffening. The ticks manufactured were of the same quality, but sold for two cents a yard less than the same goods cost in New York or Boston. The batting department had thirteen carding machines and produced six thousand yards of wadding and twelve hundred pounds of batting per day. The mill went out of existence in the early 'seventies.

Civil War Brought Boom in Mill Building.

In 1861 the mills of William Parks and Sons were established at St. John, N.B. They still exist today, the oldest of the existing cotton mills. In the same year a cotton yarn and batting mill was started by Joseph Wright, an Englishman, at Dundas, Ont. At one time this mill employed 150 hands. The outbreak of the American Civil War resulted in the paralysis of the cotton trade in the south, and as a consequence a number of mills were established in Canada, but that boom, as it may be termed, came to an end with the collapse of the South and the resumption of the industry in the States. Up till 1870 there were only eight cotton mills in the whole of Canada, the total spinning capacity being less than 100,000 spindles. Eight years later, the inauguration of the National Policy and the increase of duties on cotton goods from the old level of 17½ per cent to a range of from 20 to 35 per cent, resulted in an orgy of mill-building. By 1881 there were nineteen cotton mills, of which fourteen were in actual operation and five on the way to completion. Four years later the number of mills had increased to twenty-five with an aggregate capacity of 9,702 looms and 461,748 spindles. Over-building, however, soon had its effect. In some lines the mills were producing enough goods for a population twice the size of the population in Canada at that time.

This forced some of the mills to seek an outlet for their products abroad. A market was opened in China in 1886 for grey cottons which have been selling there with fair regularity in competition



CHEVIOT WETHERS.

with goods from the United States and Great Britain, ever since. Another effect of this over-production was the diversifying of the product. In 1892 the number of mills was just the same as it was in 1885, but the number of looms had increased to 12,288 and the number of spindles to 546,700.

Coincident with the manufacture of wool, there began the making of flax and hemp yarns and cordage and of linen fabrics in Canada, but except in the matter of binder twine, this phase of the textile industry has not developed in anything like the same degree as have the cotton and woolen industries. The silk industry, not yet of any great magnitude, falls wholly within the era of modern machinery. It was in 1876 that the first silk spinning mill was established in Montreal. In competition with the sewing silk manufactures of the world this mill, under the management of Mr. Frank Paul, of Belding, Paul and Co., won the gold medal at the Chicago World's Fair. In 1882 a ribbon branch was

Manufacturing Co. (now Penman's, Limited). The knitting business is now a special industrial feature of Paris, Ont.

Knit Goods Branch has Remarkable Growth.

To the late Mr. Joseph Simpson, of Toronto, belongs the credit of having introduced the first circular knitting frames into a mill in Canada, and full fashioned wool underwear was first made in Galt, by Mr. R. Turnbull, founder of the large mills now carried on by the C. Turnbull Company. During the last fifteen or twenty years the knit goods branch of the textile industry in Canada has developed with a marvellous growth. As a matter of fact the knitting mills are now greater in number and employ more hands than the woolen and worsted cloth branches of the industry.

The manufacture of carpets on power looms in Canada is comparatively modern. The first factory



SAMPLES OF COLONIAL WOOLS.

started at this factory, and when the company took over the silk mill started by Mr. A. J. Corriveau in Montreal, the manufacture of silk piece goods was commenced. Later, to make a specialty of sewing silks, the Corticelli Silk Company started a mill at St. John's, Que., and several smaller plants operating on various specialties with silk as the raw material, have since come into existence.

The making of quilted goods by machinery in Canada was inaugurated at Belleville, Ont., in 1857, when three hand-operated machines were installed by Mr. W. E. Adams. A year later, a knitting factory with power machines, was started at Ancaster, Ont., the owner, a man named Crance, supplying his own yarn with an over-set yarn mill. This establishment afterwards became known as the Ancaster Knitting Co. Mr. Adams, the man referred to above as having inaugurated the making of quilted goods, later went to Paris, Ont., and formed a partnership with John Penman from which evolved the Penman

devoted exclusively to carpets was established at Yorkville, now included in the city of Toronto, by George Unser, an Austrian, in 1882. He manufactured a fairly good class of two and three-ply ingrain carpets. A few years later the Toronto Carpet Manufacturing Co. started the manufacturing of Axminster carpets. In 1895 the first Brussels was made in a mill at Eldra. All the pioneer carpet mills were confined to ingrain carpets, except that at Cobourg, operated by the late William Mitchell, where the first jute and cocoa mattings and rugs were produced.

The dictates of fashion in furniture have all but extinguished a special industry which was first established in Toronto in 1882, and which kept four or five factories running for some time thereafter. This was the making of cloth from horse hair for upholstery purposes and the sole reminder of this industry is in a factory which is still operated at St. Catharines. The oil-cloth and linoleum is repre-



THE MERINO.

sented by one large and successful factory, the Dominion Oil Cloth Company of Montreal.

In recent years industries of many kinds using the products of the spinning and weaving mills as their raw material, have grown up in almost every province, more particularly eastward from Winnipeg. These employ many thousands of workers, and the diversified products include, men's, women's and children's clothing, shirts, collars, underwear, corsets, hats, caps, etc. Not only is the home trade being supplied in constantly increasing proportions, but in more than one or two lines, the Canadian manufacturers have been able to open up markets for their goods in foreign countries in competition with European fabrics.



A TYPICAL ONTARIO FLOCK.

The Canadian woolen industry continued to develop as a household occupation well into the 19th century. In 1850 there were in existence about 400 custom carding and fulling mills and 250 machine weaving factories, besides about 60,000 handlooms, turning out 6,000,000 yards of an admirable quality of homespun cloth and flannel.

It is interesting to note in connection with the Almonte district, in Ontario, which has so long taken a prominent place in the history of woolen manufacturing in Canada, that the first power loom, or at any rate, the first Crompton power loom ever used in Canada, was introduced by the late John McIntosh. This enterprising man started the manufacture of coarse tweeds in a mill which stood on the site of the present Anchor Mill property, and later he erected the mill known as No. 3, which stood on the site of the present Thoburn Flannel Mill.

In some respects these were the halcyon days of Canadian woolen manufacture, when it and sheep-rearing were steadily developing side by side. By 1891, the product of the handlooms had diminished to little more than 4,000,000 yards, but there were 377 woolen mills and 281 knitting establishments, although many of the latter must have been the homes of the operators of hand-knitting machines.

(To be Continued.)



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**CANADA LIFE
TORONTO**

INSURANCE

RAIN INSURANCE IN ENGLAND.

An English daily paper reports that many enquiries are now being received in the insurance market, and the underwriters are called upon to deal with various meteorological problems. One large insurance which is being arranged is in respect of a deer forest, the owner desiring to effect for the season policy "A," under which he would receive payment for each week in which there occurs more than two days when the rainfall amounts to 0.20 of an inch. The premium in this case would run into hundreds of pounds, and the payment provided for would be correspondingly large. In another case, a holiday-maker wished to effect a Pluvius policy in respect of a visit to the Lake District. The rate quoted was considerably higher than those ruling for seaside towns. An enquiry was received a day or two ago for rates of rain insurance in connection with a series of open-air boxing entertainments, which it is proposed to hold throughout the country.

LOANS ON POLICIES.

A decrease in the amount of loans on policies in the North American Life at the close of last year brought forth the following comment from the President, Mr. L. Goldman, in his address to the Policyholders at the last Annual Meeting:

"It is always gratifying when the policy loans show a decrease, and it is always a measure of regret to find that there is an increase in this item. The officers of life insurance companies know that when a policy against which there is a loan becomes a claim, great disappointment is caused to the widow or the claimant because the insured has not fully realized that when a mortgage is put on the policy it means a considerable reduction when payment thereunder is called for. I cannot impress too strongly upon Policyholders the desirability of avoiding, as far as possible, borrowing on their policies, and, in their own interests and those of their dependents, they should endeavor by every means to raise the necessary money otherwise than by mortgaging their policies."

THE ADAPTABLE LIFE POLICY.

A life policy is usually regarded as a fixed contract between the life assured and the company, and rightly so. The obligations on both sides are clearly set forth in the document, but those of the company are dependent on the fulfillment by the owner of the policy on this undertaking to pay the premiums. As a rule, the only option the assured realizes as belonging to him is that of discontinuing the payments if he chooses. A life assurance is, however, a much more flexible transaction than is generally supposed. Companies are disposed now to allow policyholders to adapt the contract to changes in their circumstances, providing certain safeguards are observed. It is quite likely that many assurances are surrendered which would have been continued with some alteration, if it had been known that such a change could easily be made. Thus the premium payable may, through adverse circumstances, become too heavy for the assured's means. There is no need on this account to sacrifice the policy. It may be reduced in amount, and the remainder kept on foot, or it may be altered to another table in respect of which the payments would be lighter, or a paid-up policy for a reduced sum obtained, and the holder entirely relieved of all further payments.—"Canadian Insurance."

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The largest general Insurance Company in the World.

Capital Fully Subscribed	\$ 14,750,000
Capital Paid Up	1,475,000
Life Fund, and Special Trust Funds	73,045,450
Total Annual Income Exceeds	57,000,000
Total Funds Exceed	159,000,000
Total Fire Losses Paid	204,667,570
Deposit with Dominion Government	1,323,333

(As at 31st December, 1917)

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Commercial Union Bldgs., 232-236 St. James Street, Montreal, Que.

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The figures for 1918 emphasize these points in the North American Life.

Business in Force	over \$70,900,000
Assets	12,100,000
Net Surplus	2,750,000
Payments to Policyholders	1,700,000

These are reasons why the Company is known as "Solid as the Continent." Correspond with E. J. Harvey, Supervisor of Agencies.

NORTH AMERICAN LIFE ASSURANCE COMPANY
HEAD OFFICE TORONTO

Conditions In The West

By E. CORA HIND

June 2, 1919.

My letters to the Journal were first interrupted by a holiday which I took at the Coast, and since my return, by the strike conditions which have prevailed in Winnipeg. At this writing the strike is still in force, although the public utilities, with the single exception of the street railway and the garbage collection, are in fairly normal operation.

The Hon. Gideon Robertson estimated the wages loss in Winnipeg up to the eighteenth day of the strike at over \$2,000,000, and that is probably a very conservative estimate. There are many other losses that have accrued and are accruing through the strike. The dairy and poultry farmers not only of Manitoba, but of Saskatchewan and Alberta, are suffering very heavy losses owing to carry cream and perishable products such as eggs.

The writer spent a portion of last week in the country around Manitoba and found the stores in every small town jammed with eggs for which they could find no outlet, as they could not be sent into the large store houses in the city. The weather was intensely hot, and the condition in which the eggs were temporarily stored was such as would make the eggs unfit for winter storage even if they could have been moved into the city in the course of the next few days. May is always the month in which western Canada stores eggs for winter consumption and during the whole latter part of the month not a single egg went into storage, so that the price of eggs next fall and winter is likely to be extremely high, or else large supplies will have to be shipped in from other points.

The case of the creamery men is quite as bad and their loss is again reflected upon the farmers. Butter fat in Manitoba is worth 55 cents for sour and 60 cents for sweet cream. The creameries were all in operation at high pressure when the strike came, and the loss in the manufacture of butter for the first fifteen days of the strike was 675,000 pounds; but the loss in manufacture does not end there. Very many of the western farmers are not in the position to churn their cream at short notice, and therefore, have turned the calves on the cows, and these cows will not again come in to supply milk and cream for the balance of the season. In this way the whole output of the season will be lessened, while the farmers doing this, are subject to a great monetary loss, as the calves sucking the cows bring them no returns, whereas formerly they were getting a high price for their butter fat and feeding the skim milk to the calves, thus getting a profitable return from both transactions.

The supply of butter is getting short in the city, although small amounts are being hauled in by motor.

The same conditions prevail through Saskatchewan and Alberta, though possibly to a somewhat less extent, as 25,000 pounds of the 65,000 pounds of butter manufactured in Manitoba daily, was manufactured in Winnipeg by the large creameries. Another difficulty that the creameries in the country labor under is that of inadequate storage for the butter which they have made. Furthermore, the cream which they are actually receiving is very often in bad condition, for while the railway companies have been endeavoring to give a service, it has been of an intermittent character, and cream has stood two days in the blazing sun at a station before it reaches the creamery, and this cream will only make No. 2 butter. The proportion of cream which comes by motor or horse to any factory in the West is too small to permit of separate churning, therefore, the whole

butter situation is very heavily hampered and there will be a distinct lowering of the quality of the butter throughout the western provinces while the strike conditions continue to exist. Prices for butter have advanced in the city, but large establishments, such as the T. Eaton Company have not advanced their prices, but the small retail houses have, and in many instances are asking as high as 75 cents a pound.

LIVESTOCK.

Livestock conditions are also being seriously affected and the receipts at the yards are very small and there is little demand for even what is coming in, as there are no regular killing crews in the packing houses, excepting in the Swift-Canadian Company, which is an open shop and is not materially affected by the strike. Retail butchers report great difficulty in getting supplies of fresh meat, particularly pork.

The loss to the producers from this strike is very, very serious and certainly will be reflected in a decrease of production and in higher prices for these food commodities.

CROP CONDITIONS.

The latter half of May was the hottest May that the West has experienced since 1886. On the 14th of May there was a twenty-four hour rain and the weather immediately turned warmer and became increasingly hot up to the 30th, when a heavy rain fell generally throughout the Province of Manitoba with lighter rainfalls in Saskatchewan and Alberta. The extreme heat was accompanied the last few days with very high winds which occasioned considerable drifting of soil. This was not especially serious in Manitoba, but was reported to be very bad in Saskatchewan and Alberta. In Manitoba there were several complaints of cutworm damage, but the rain has been sufficiently heavy to check this, and the crop is in very fine condition, as the heavy rain of May 30th and 31st has been followed by cool, cloudy weather, the crop will get the full benefit of this moisture and growth will be rapid and stooling good. The crop is apparently well rooted and gives every promise of rapid and vigorous development.

EASTERN APPLE PROSPECTS BRIGHT.

The wholesale trade during the past week has been fairly active, says Bradstreet's Montreal Weekly Trade report. Dry goods are moving freely, and cotton mills are heavily booked ahead. They have withdrawn their prices, and are accepting orders at open prices only. The high prices of glove leathers is the cause of the glove manufacturers withdrawing their prices from the market. The grocery trade is more active than usual, which is due to the unsettled labor questions which, in some districts of Canada, have tied up transportation and the retail trade here are anxious to have sufficient stocks on hand to tide them over any trouble that may possibly occur. A number of minor changes have taken place in price. Amongst the advances noted are dried fruits, chocolate, cocoa, condensed milk, etc. Large quantities of condensed milk are being exported to the United Kingdom. A cargo of over 126,000 bags of refined sugar was shipped this week by a Montreal refinery to the London market. Leather is very scarce, and prices show considerable advances. Boot and shoe manufacturers are very busy. Prices in these have advanced in sympathy with the leather market. Building operations are rather slow in commencing, but once they start there will be a big demand for building materials, especially lumber.

BEATTY ON LABOR UNREST.

Mr. E. W. Beatty, president of the C. P. R., speaking to an interviewer, made some remarks on labor.

In a discussion of the present acute situation throughout Canada, President Beatty pointed out that it must be admitted that there was a general labor unrest finding expression in demands for better working conditions, higher wages, and recognition of more extensive groupings of labor in its own interests.

"The high cost of living is supposed to be the principal, and original ground for the claims proffered for higher wages," said Mr. Beatty. "That has certainly been the case for the last four or five years. Nothing will satisfy the people as to the fairness or otherwise of existing scales of wages except the accurate ascertainment of those causes which contribute to the high cost of living. My own view is that the most careful investigation should be made to ascertain if in those high costs there exists any unfairness or undue profit. If it does exist it should be removed. If it does not exist, nothing but the development of our natural resources and the extension of our markets will enable us to secure the additional money required to meet these higher standards of living."

SPECIFIC STRIKE PROBLEM.

Discussing the specific strike problems of the day, Mr. Beatty said: "No movement which depends for its success upon the strangling of communities or the subversion of properly constituted authority, can hope to win in a law-abiding community, such as the Canadian people. I believe in the gospel of hard work, and that applies to employers as well as to employees. The just return for every man for his hard work is in the first instance a fair living wage, consistent with the cost of living, and beyond that the returns to him should be commensurate with his individual effort and efficiency. That is what we as Canadian people have been overlooking, I think."

Discussing the relation of employers and employees, Mr. Beatty expressed the opinion that the tendency in recent years had unfortunately been for employers and their men to drift apart and lose the intimate family association that once characterized industry in British countries.

"Too much of the business between employer and employee is left to emissary and plenipotentiary," he declared. "I think a great deal can be accomplished by more direct personal relation between the employer and his employees."

SHOULD BE PARTNERS.

Mr. Beatty thought that there should be more frequent exchange of views between the heads of industrial enterprises and the men working in them. Instead of regarding capital and labor as enemies they were by their very essence partners.

"Any man who thinks he can build a house on two props, and after taking one of the props away expects the house to stand is sadly mistaken," he said. "More frequent meeting between employer and employee would result in a mutual education, which has been too much neglected in recent years as to the real function in question in its relation to production costs, markets and competitive costs. This education is not accomplished best through conventions and general propaganda. It is best accomplished by the personal equation which is at the base of all human relations. The factor most contributing to success in any enterprise is the combination of employer and the men working to the same end."

TRAVELLERS FIRST AIRCRAFT CLAIM.

What is probably the first aircraft insurance claim on this continent was one for property damage sustained by the Travellers as a result of a collision between an airplane owned by the Traymore Hotel of Atlantic City and another plane.

FOOD FOR THE WORLD.

There is a sufficient surplus of food indicated from the coming harvests to supply Europe and meet the needs of the world unless some unexpected catastrophe happens to the world's harvest, according to a statement issued last week by Herbert C. Hoover, the head of the Allied Relief organization. The bread budget balances, but the surplus of the American crop of wheat this year have to be imported, the statement continues: year will be needed. The statement says that most of the trading in wheat and rye will be in the hands of the Governments.

Other figures gained from the survey made by the organization and various Governments indicate that the sugar crop in eastern Europe this year will be sixty-five per cent. of pre-war normal, the wheat and rye crop .7 per cent. and the vegetable harvest about normal. Since the war, it is estimated, Europe has lost 18,400,000 cattle, 39,000,000 hogs, and 8,000,000 sheep.

After estimating the European consumption of wheat and rye at 2,250,000,000 bushels, of which between 700,000,000 and 850,000,000 bushels will

"The available breadstuffs to Europe from the producing countries will probably lie between 770,000,000 and 850,000,000 bushels. It would appear, therefore, that the world's bread budget will balance next year, but within narrow margins. In any event, the present indications are that the American bumper wheat and rye crops will be needed. The principal importing European governments have all guaranteed their farmers' prices at higher level than the American guarantee and all are involved in bread subsidies. There will not be much likelihood of much private trade in wheat next year outside of Government buying.

"The European production of sugar will be apparently about sixty-five per cent of the pre-war normal, and before the war imports averaged 2,250,000 tons per annum. The buying power of the people so greatly affects the consumption of this commodity that no estimate of the probable import demands can be forecast. The crop of potatoes, peas, beans, cabbage and other vegetables promises to be about pre-war normal.

DECREASE IN ANIMALS.

"Our survey of the food animals shows that, compared to pre-war conditions, there is a net decrease of 18,400,000 cattle in the 98,300,000 in the herds before the war; a decrease of 39,500,000 swine from 69,300,000, and a decrease of about 8,600,000 sheep from the pre-war total of 109,800,000. The number of horses also has greatly diminished. The cattle in Central Europe are probably on an average a year younger than before the war because of the tendency to save the calves and kill the older animals. The cattle in these regions are great emaciated, with but little milk and meat value until summer feed and imported feed grains are available. The decrease in sheep in enemy countries is very large, but there is an increase in other areas due to the tendency to substitute animals that do not require imported food for those that do require it.

"While, theoretically, the cattle of Europe could be restored in two years and the swine in one year, if no animals were killed, such a course would entail no local meat supplies, and the natural course will be a slow recovery over many years.

"Taking all factors together, every evidence points to continued large imports of animal products, provided the resources can be found to pay for them. The exporting countries as a whole possess considerable increased herds, and the oil production of the tropics is capable of large expansion. It appears that there is against meats and fats a fair balance in the world's ledger.

"More than 85 per cent. of Europe's import food bill is covered by bread, meats, fats, sugar and feed stuffs. Altogether, unless some unto-

ward catastrophe happens to the world's harvest, there is enough prospective surplus of these in the world next year to meet the world's essential needs.

ARGENTINE SHEEPSKINS AND OX-HIDES.

Reports come in from Argentina that entries of sheepskins have been upon a much smaller scale and stock reduced during May on the Buenos Aires market, while there has been a fair amount of activity on the part of buyers. The demand has been good and lots have sold with

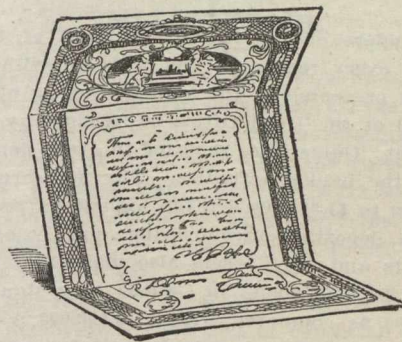
universal facility. As regards ox-hides, the market has been rather more than active than was the case in the preceding month. This has been attributed to the small stocks on hand, and the smaller number of entries. Buyers also have shown great interest and all available supplies have been eagerly snapped up. As regards the manufacture of quebracho, it is interesting to note that one company alone, the "Quebrachales Fusionados, Sociedad Anonima," has produced during the past year a total of approximately 19,353 tons of extract, which makes a new high record for production for this concern.

Insist on a CANADIAN

Bond Paper



For Your Stock Certificates

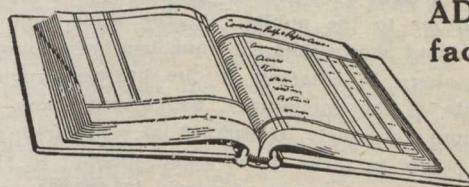


No man is justified in buying a foreign made article when a Canadian made product of equal quality is obtainable at the same or a lower price.

This applies especially to PAPER, for Canada is one of the greatest manufacturers of paper in the world.

No finer paper could be desired for Stock Certificates than is made right here in Canada. It has the weight, the surface, the crackle, the feel and the CHARACTER.

For Your Ledgers

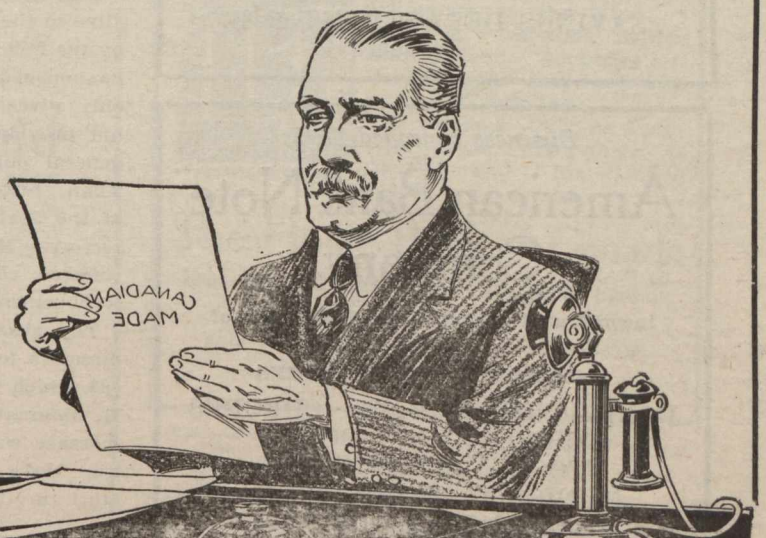


For your ledgers, too, a great variety of eminently suitable papers is at your command, without sending money out of the country. You want preference as a CANADIAN producer. We all do. It is a vital factor in Reconstruction.

Give the word that all papers—Bond, Stationery, Booklet—used on your firm's work must be strictly Canadian.



Look for this mark on the wrapper of every package of paper you buy.



Write for booklet "Some Facts About the Pulp and Paper Industry of Canada." Canadian Pulp and Paper Association, 304 Shaughnessy Bldg., Montreal.

ESTABLISHED 1872

Bank of Hamilton

Head Office: HAMILTON

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

BANKING SERVICE

Your banking requirements may be entrusted to this Bank with every confidence that careful and efficient service will be rendered. Our facilities are entirely at your disposal.

THE CANADIAN BANK OF COMMERCE

465 BRANCHES

The Royal Bank of Canada

Incorporated 1869

Capital Paid-up .. . \$15,000,000
 Reserve Funds .. . \$16,000,000
 Total Assets .. . \$430,000,000

HEAD OFFICE: MONTREAL.

SIR HERBERT S. HOLT, President.
 E. L. PEASE, Vice-President and Man. Director.

C. E. NEILL, General Manager.

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

SPAIN, Barcelona—Plaza de Cataluna 6.
 FRANCE, Paris—28 Rue du Quatre Septembre.

LONDON, Eng. NEW YORK
 Prince Street. E. C. 68 William Street.

SAVINGS DEPARTMENT at all Branches

Business Founded 1795

American Bank Note Company

Incorporated by Act of the Parliament of Canada

ENGRAVERS AND PRINTERS

BANK NOTES AND CHEQUES
 CORPORATION BONDS
 STOCK CERTIFICATES
 MUNICIPAL DEBENTURES
 and other MONETARY DOCUMENTS.

Head Office and Works: OTTAWA.

Branches:—

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

Banking Transactions

WEEKLY CLEARINGS HIGHER.

Bank clearings in eastern Canada continue to show increases, an aggregate of \$227,000,000 for the week ended June 5th, reported from ten cities, being an increase of 22 per cent. over the corresponding week in 1918. Montreal's clearings at 118 millions, were up 36 per cent. Toronto showed only a slight increase, and Halifax was down 78 per cent.

Following are the clearings reported for the week, with comparisons for a year ago:

	1918.	1919.
Montreal .. .	\$118,334,704	\$86,498,796
Toronto .. .	68,924,529	65,655,472
Hamilton .. .	5,423,192	4,781,881
Ottawa .. .	10,489,342	8,404,453
Quebec .. .	5,723,774	4,681,740
Halifax .. .	4,883,136	8,628,469
St. John .. .	2,427,506	2,099,473
Sherbrooke .. .	1,022,795	847,439
Kitchener .. .	1,031,270	731,189
London .. .	3,130,830	2,244,681
Brantford .. .	1,018,434	982,065
Vancouver .. .	10,177,212	8,404,453
Ft. William .. .	752,999	691,364

MERCHANTS BANK CLOSSES SUCCESSFUL YEAR.

New Records in Deposits, Current Loans and Assets.

Shareholders of the Merchants Bank of Canada have every reason to feel satisfied with the statement presented at the annual meeting of the bank held at the Head Office on Wednesday, the 4th instant. Gains were reported in every department of the bank's activities. The net earnings amounting to \$1,383,000 are the highest on record, while the deposits, current loans, quickly available assets and total assets also make new high records. Total deposits in Canada now stand at \$138,000,000 as compared with \$113,000,000 a year ago. This in itself is a very large gain and furnishes striking evidence of the confidence placed in the bank by the public.

Quickly available assets amounting to \$62,750,000 are \$5,000,000 greater than they were a year ago and bear a very high ratio to the bank's total liabilities to the public. At the same time the statement shows that the bank has been doing its full share in catering to the business requirements of the community, as current loans now amount to nearly \$96,000,000 as compared with \$76,000,000 in 1918. Total assets amount to \$166,725,000, or an increase of nearly \$26,000,000 during the year.

Further evidence that the bank is thoroughly alive to the business situation in Canada is shown by the fact that since the end of the war the bank has opened numerous new branches, which not only gives employment to its returned officers but provides additional banking facilities for the general public. The President, Sir H. Montagu Allan, reviewed the year's business and spoke of the death of Andrew A. Allan, one of the directors. Mr. D. C. Macarow, general manager, referred confidently to the satisfactory outlook for business.

The shareholders of the bank authorized the directors to increase the bank's capital by \$5,000,000, which would bring the total to \$15,000,000. Sir H. Montagu Allan, the president, stated that the increase was to provide for future expansion, but that there was no intention of issuing any new stock in the immediate future.

The saw mill of the Sayre and Holly Lumber Company was damaged to the extent of one hundred and forty thousand dollars by fire last week and eighty thousand dollars worth of lumber was consumed.

THE BANK OF FRANCE.

Paris, Thursday, June 5. — The weekly statement of the Bank of France shows the following changes:

	Francs.
Gold in hand, inc.	574,704
Silver in hand, dec.	330,474
Notes in circulation, inc.	309,633,610
Treasury deposits, dec.	67,688,204
General deposits, inc.	101,090,806
Bills discounted, inc.	44,822,656
Advances, inc.	22,469,193

THE BANK OF ENGLAND.

London, June 5. — The weekly statement of the Bank of England shows the following changes:

Total reserve, dec.	£ 179,000
Circulation, inc.	1,033,000
Bullion, inc.	854,596
Other securities, inc.	324,000
Public deposits, inc.	5,948,000
Other deposits, inc.	407,000
Notes reserve, dec.	289,000
Gov't securities, inc.	6,199,000

The proportion of the bank's reserve to liability last week was 18.24 per cent.; the previous week it was 19.19 per cent. Rate of discount 5 per cent.

DIVIDEND NOTICE.

CANADIAN GENERAL ELECTRIC CO., LIMITED.

Common Stock Dividend No. 80.

Notice is hereby given that a quarterly dividend of two per cent. for the three months ending the thirtieth day of June, 1919, being at the rate of eight per cent. per annum has been declared on the Common Stock of the Company.

The above dividend is payable on and after the first day of July, 1919, to Shareholders of record at the close of business on the fourteenth day of June, 1919.

By order of the Board.

J. J. ASHWORTH,
 Secretary.

Toronto, May 31st, 1919.



SAVING. — The foundation of almost every successful business venture is built on Savings.

The Standard Bank of Canada can be of great assistance in helping you to develop your business. 293

THE STANDARD BANK OF CANADA

MONTREAL BRANCH

136 ST. JAMES STREET

E. C. GREEN, MANAGER

In and Out of Canada

N. Y. BANK STATEMENT.

New York, June 7. — The actual condition of clearing house banks and trust companies for the week shows that they hold \$37,455,160 reserve in excess of legal requirements. This is an increase of \$14,790,000 from last week.

The statement of actual conditions follows:

Loans, inc.	\$305,402,000
Cash in own vaults, inc.	7,295,000
Res. in Fed. Res., inc.	10,239,000
Res. in own vaults, dec.	172,000
Res. in depositories, dec.	563,000
Net demand deposits, dec.	39,683,000
Net time deposits, dec.	203,000
Circulation, inc.	38,000
Excess reserve, inc.	14,790,000
Aggregate reserve	579,712,000

BANKS AND THE MARKETS.

In the face of the run-up in call money rates, bankers maintained a calm that spoke volumes for the confidence they feel in the present money and credit system. In most places the episode was characterized as "a flurry" and nothing more.

Nobody denies that the stock market speculation has not assumed very large proportions and on top of that there were many other demands for money to-day, including a payment on Victory notes, tax payments on account of New York levies and the New Jersey Corporation tax. But bankers, or a majority of them, insist that the stock market demands for accommodation have not as yet become too heavy for comfort.

This is not to say, they explain, that the stock market speculation will not become too great for a healthy credit position. The point they make is that it has not become too great as yet.

UNION BANK PARIS BRANCH.

Although confirmation cannot be obtained from the head office which is in Winnipeg and therefore cut off from postal communication, it is understood that the Union Bank of Canada is about to open a branch of the Bank in Paris, France.

The Union Bank of Canada has been particularly aggressive in the development of its branch system since the commencement of the year, nearly fifty new offices being opened in Canada alone. The consummation of an alliance with the Park Bank, of New York, which resulted in the formation of a \$2,000,000 subsidiary, the Park-Union Foreign Banking Corporation is giving to the

Union Bank of Canada many important foreign connections, but the reported establishment of its first branch in France is one of the most significant developments of the year.

The Park-Union Foreign Banking Corporation formally opened its New York office at 56 Wall Street recently. Dr. C. A. Holder is the president of the new corporation. T. Frederick Aspden, the vice-president, and F. T. Short the secretary, are both well known Canadian bankers. Mr. Short went to New York as one of the original agents of the New York agency of the Union Bank of Canada. A branch of the corporation is already operating at Yokohama, and offices are to be opened almost immediately at San Francisco and Seattle, Washington. Other branches are said to be contemplated in the Orient.

THE BANK OF ENGLAND.

New York, June 5.—The Bank of England reported an increase for the week in gold coin and bullion holdings of £854,000. Proportion of reserve to liabilities is now 18.25 per cent., against 19.19 last week, 18.25 March 7, and 20.51 February 27. The highest percentage thus far in 1919 was 20.85, in the week ending February 20; the lowest, 11.00, on January 2.

MALAY TRADE.

Throughout the past year, the trade of the Malay Peninsula was greatly hampered by the lack of shipping facilities. Nevertheless unofficial estimates made at Singapore place the value of last year's overseas trade at over £172,000,000, or more than £11,000,000 sterling above the "record" established in 1917. The official record in 1917 was £148,000,000.

Of course, any increase may be discounted to some extent by the increase of values all over the world caused by war-time conditions, for it is highly probable the actual quantities of imports and exports in most commodities were less last year than in 1917. On the other hand, it is only fair to state that had there been a free export of the 1918 rubber crop there would be good ground for even more sanguine estimates. As it was, some 90,000 tons of rubber were stored in the Peninsula towards the end of the year; and though shipments in the past three months have established new "records" for exported rubber, there must still be a large portion of the 1918 crop to be sent away.

THE MOLSONS BANK

Incorporated by Act of Parliament 1855

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

Head Office: MONTREAL

BOARD OF DIRECTORS.

Wm. Molson Macpherson President
S. H. Ewing Vice-President
F. W. Molson Director
Wm. M. Birks Director
W. A. Black Director
John W. Ross Director
J. M. McIntyre Director

Edward C. Pratt, General Manager.

Saving Moulds Character

A prominent employer recently said "The best men working in our shops to-day are the men who save money regularly. The steadiness of purpose and ambition thus displayed is apparent in their work. They are the men to whom advancement and promotions most frequently come and they will be the last to be laid off when dull times come." Open a Savings Account with

The Dominion Bank

Letters of Credit,
Foreign Drafts,

Travellers Cheques.



Letters of Credit or Drafts issued to over 1,500 principal points in the Kingdom and the world-wide British Empire, and countries of Europe and Asia not still under the war ban.

Travellers' Cheques supplied good everywhere in Canada and the United States.

The Home Bank of Canada

Branches and Connections Throughout Canada

Transportation Bldg. 120 St. James Street
2111 Ontario St. East Cor. Davidson Street
1318 Wellington Street, Verdun

Airmen intending to take up aviation from a commercial point are warned by the British Air Ministry to ask advice from that quarter before undertaking such an investment with their gratuities. In order not to prejudice future Canadian flying it is necessary to promote such enterprises only on a sound financial basis.

ESTABLISHED 1832

Paid-Up Capital
\$9,700,000



Reserve Fund
and Undivided Profits over
\$18,000,000

TOTAL ASSETS OVER \$220,000,000

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 business of every description.

THE BANK OF NOVA SCOTIA

**"GARDEN CITY DEVELOPMENT COMPANY,
LIMITED."**

Public notice is hereby given that, under the Quebec Companies' Act, letters patent have been issued by the Lieutenant Governor of the Province of Quebec, bearing date of the 20th day of May, 1919, incorporating Howard-Salter Ross and Eugene Real Angers, advocates; Henry-Murray Gardner and George-Thomas Porter, accountants; Ethel-Marion Thompson, stenographer, all of Montreal, for the following purposes:

To purchase, take on lease or in exchange or otherwise acquire any lands and buildings and any estate or interest in, and any rights connected with any such lands and buildings or near the boundaries of Sainte-Anne-de-Bellevue, in the Province of Quebec, and to build on such land dwelling houses of reasonable dimensions supplied with proper improvements and intended to be let at a moderate price;

To develop and turn to account any land acquired by or in which the company is interested and in particular by laying out and preparing the same for building purposes, constructing, altering, pulling down, decorating, maintaining, furnishing, fitting up and improving buildings and by planting, paving, draining, farming, cultivating, letting on building lease or building agreement and by advancing money to and entering into contracts and arrangements of all kinds with builders, tenants and others;

To construct, maintain, improve, develop, work, control and manage any waterworks, gasworks, reservoirs, roads, clubs, restaurants, baths, pleasure grounds, parks, gardens, reading rooms, stores, shops, dairies, and other works and conveniences which the company may think directly or indirectly conducive to these objects, and to contribute or otherwise assist or take part in the construction, maintenance, development, working control and management thereof;

To build, equip, construct, alter, repair and otherwise deal with building structures, erections and other improvements;

To lend money either with or without security to persons undertaking to build or improve any property in which the company is interested and to tenants, builders, and contractors, for the erection of buildings on the lands of the company;

To purchase, lease, or otherwise acquire the whole or any part of the business, property, franchise, good-will, rights, and privileges held or enjoyed by any corporation carrying on any business which the company is authorized to carry on or possession of property suitable for the purposes of this company, and to pay therefor fully paid up or partly paid up reference or ordinary shares of the company, or in the bonds, debentures and to undertake the liabilities of any such person, firm or corporation;

To enter into partnership or any arrangement for sharing of profits, union of interests, co-operation, joint-adventure, reciprocal concession or otherwise, with any company carrying on or engaged in or about to carry on or engage in any business or transaction capable of being conducted so as to directly or indirectly benefit this company, to lend money to, guarantee the contracts of, or otherwise assist any person, and to take or otherwise acquire shares and securities of any such company, and to sell, hold, re-issue, with or without guarantee, or otherwise deal with the same;

To purchase, take or acquire by original subscription or in exchange for the shares, bonds, debentures or other securities of this company or otherwise, and to hold, sell or otherwise dispose of shares, stock, whether common or preferred, debentures, bonds and other obligations in any other company having objects similar in whole or in part to the objects of this company, or carrying on any business capable of being conducted so as directly or indirectly to benefit this company, and to vote all shares so held through such agent or agents as the directors may appoint;

To enter into any arrangements with any authorities, government, municipal, local or otherwise that may seem conducive to the company's objects or any of them, and to obtain from any such authority any rights, privileges, and concessions which the company may think if desirable to obtain, and to carry on or exercise and comply with any such arrangements, rights, privileges and concessions;

To promote any company or companies for the purpose of acquiring all or any of the property which may seem directly or indirectly calculated to benefit this company, and generally to purchase, take on lease or in exchange, hire or otherwise acquire any real or personal property and any rights or privileges which the company may think necessary or convenient for the purpose of its business;

To invest and deal with the money of the company not immediately required in such manners as may from time to time be determined;

To pay out of the funds of the company or with the approval of the shareholders by shares in the company or by both cash and shares all expenses of or incidental to the formation or flotation, advertising and procuring the charter of the company, and to remunerate any person or company for services rendered to the company in placing or assisting to place or guaranteeing the placing of any of the shares in the company's capital, or any bonds, debentures or other securities of the company;

To pay by issue of bonds, debentures or other securities as well as to use and apply its surplus earnings or accumulated profits authorized by law to be reserved to the purchase or acquisition of property to such extent and in such manner and upon such terms as the board of directors shall determine;

To adopt such means as making known the purposes and objects of the company as may seem expedient and in particular by advertising in the press, by circulars, by purchase and exhibition of works of art or interest, by publication of books and periodicals and by granting prizes, rewards and donations;

To do all such other things as the company may deem incidental or conducive to the attainment of the above objects;

To do all or any of the above things as principals, agents, contractors or otherwise and by or through trustees, agents or otherwise and either alone or in conjunction with others;

To consolidate or to join with any other company having objects altogether or in part similar to those of this company;

To distribute any of the property of the company in kind among the shareholders;

To draw, make, accept, endorse, execute, and issue promissory notes, drafts, bills of exchange, warrants, bonds and other negotiable securities or transferable instruments and evidences of indebtedness, under the name of "Garden City Development Company, Limited," with a capital stock of forty-five thousand dollars (\$45,000.00), divided into four hundred and fifty (450) shares of one hundred dollars (\$100.00) each.

The principal place of business of the corporation, will be at Sainte-Anne-de-Bellevue.

Dated from the office of the Provincial Secretary, this twentieth day of May, 1919.

C.-J. SIMARD,

2104-23-2. Assistant Provincial Secretary.

ROSS & ANGERS,

Solicitors for the Applicants.

20 St. Nicholas Street, Montreal.

**"GARDEN CITY DEVELOPMENT COMPANY,
LIMITED."**

Avis est donné au public que, en vertu de la loi des compagnies de Québec, il a été accordé par le lieutenant-gouverneur de la province de Québec, des lettres patentes en date du vingtième jour de mai 1919, constituant en corporation Howard-Salter Ross et Réal Angers, avocats; Henry-Murray Gardner et George-Thomas Porter, comptables; Ethel-Marion Thompson, sténographe, tous de Montréal, pour les fins suivantes:

Acheter, prendre à bail ou en échange ou autrement acquérir aucuns terrains et bâtiments, aucunes terres ou intérêts en icelles, aucuns droits se rapportant à ces terrains et bâtiments, aux ou près des limites de Sainte-Anne-de-Bellevue, dans la province de Québec, construire sur ces terrains des résidences de dimensions raisonnables munies d'améliorations appropriées, pour être louées à des taux modérés;

Développer et faire valoir aucun terrain que la compagnie acquerra ou dans lequel elle a des intérêts, particulièrement en le divisant et préparant pour fins de bâtisses, constructions, altérations, démolitions, décorations, entretiens, aménagement, ameublement et amélioration des bâtisses, en les plantant d'arbres, pavant, drainant, fertilisant, cultivant, louant à bail de maison ou par contrat de bâtisses, en prêtant de l'argent aux, ainsi qu'en faisant des conventions et arrangements de toutes espèces avec les constructeurs, locataires et autres;

Construire, entretenir, améliorer, développer, exploiter, surveiller et gérer des aqueducs, usines à gaz, réservoirs, routes, clubs, restaurants, bains, lieux d'amusements, parcs, jardins, cabinets de lectures, magasins, boutiques, laiteries ainsi que d'autres structures et commodités que la compagnie jugera directement ou indirectement appropriées à ces objets, aussi contribuer ou autrement aider à prendre part à leur construction, l'entretien, développement, exploitation, surveillance et administration;

Bâtir, aménager, construire, altérer, réparer et autrement disposer des bâtisses, structures, constructions et autres améliorations;

Prêter avec ou sans garantie aux personnes entreprenant de bâtir ou d'améliorer aucune propriété dans laquelle la compagnie est intéressée ainsi qu'aux locataires, constructeurs et entrepreneurs pour l'érection de bâtisses sur les terrains de la corporation;

Acheter, louer, ou autrement acquérir la totalité ou aucune partie du commerce, de la propriété, de la franchise, de l'achalandage, des droits et privilèges que détient ou dont jouit aucune corporation exerçant aucune industrie que la compagnie est autorisée à exercer ou qui possède des biens convenant aux fins de la présente corporation, et les payer en actions entièrement ou partiellement libérées de la compagnie, préférentielles ou ordinaires, ou en obligations, débentures, assumer aussi le passif d'aucune telle personne, société ou corporation;

Faire société ou conclure aucun arrangement relatif au partage des bénéfices, à l'union des intérêts, à la coopération, au risque mutuel, à la concession réciproque ou autre, avec aucune compagnie exerçant, se livrant à, sur le point d'exercer ou de se livrer à aucun commerce ou genre d'affaires susceptible d'être exercé de manière à profiter directement ou indirectement à la présente corporation, aussi prêter de l'argent, garantir les contrats ou autrement aider aucune personne, souscrire ou autrement acquérir des actions et valeur d'aucune telle compagnie, et les vendre, les détenir, les rémettre avec ou sans garantie, ou autrement en disposer;

Acheter, souscrire ou acquérir par souscription originaire ou en échange des actions, obligations, débentures ou des autres valeurs de la présente compagnie, ou autrement, aussi détenir, vendre ou autrement aliéner les actions, le capital ordinaire ou préférentiel, les débentures, bons et les autres obligations d'aucune autre compagnie dont les objets sont en tout ou en partie semblables à ceux de la présente corporation, ou qui exerce aucun commerce susceptible d'être exercé de manière à profiter directement ou indirectement à la présente compagnie, voter aussi en vertu des actions ainsi détenues par l'entremise de l'agent ou des agents que les directeurs nommeront.

Conclure avec aucunes autorités, aucun gouvernement municipal, local ou autre, aucun arrangement qui semblera approprié aux objets de la corporation ou à aucun d'iceux et, obtenir de cette autorité les droits, privilèges et concessions que la compagnie jugera désirable d'obtenir, et exécuter, remplir et se conformer à ces arrangements, droits, privilèges et concessions.

Organiser une ou plusieurs compagnies aux fins d'acquérir la totalité ou aucune partie de la propriété et du passif de la présente corporation, ou pour aucun objet qui paraîtra directement ou indirectement approprié à l'avantage de la présente compagnie, et généralement acheter, prendre à bail ou en échange, louer ou autrement acquérir aucune propriété foncière ou personnelle ainsi qu'aucuns droits ou privilèges que la corporation croira indispensables ou convenant à l'objet de son commerce;

Placer et disposer des deniers disponibles de la compagnie de la manière qui sera de temps à autre déterminée;

Payer à même les deniers de la corporation, ou sur l'assentiment des actionnaires, en actions corporatives, ou à la fois en numéraire et en parts, les dépenses directes ou incidentes à la formation, à l'organisation, à la publication et à l'obtention de la charte de la compagnie, rémunérer aussi aucune personne ou compagnie pour services à elle rendus en faisant souscrire, aidant à faire souscrire ou en garantissant la souscription d'aucun nombre d'actions du capital corporatif, ou d'aucunes obligations, débentures ou autres valeurs de la compagnie;

Payer par émission d'obligations, de débentures ou d'autres valeurs, employer aussi et affecter son excédent de recettes, ou ses bénéfices accrus qu'autorise la loi à constituer une réserve pour l'achat ou l'acquisition de propriétés, au montant, de la manière et aux conditions que le bureau de direction fixera;

Pour faire connaître les fins et objets de la corporation, prendre les moyens estimés judiciaires, et particulièrement annoncer dans les journaux, par circulaires, achat et exhibition d'oeuvres d'art ou d'intérêt, publier des livres et revues, accorder des prix, récompenses et dons;

Faire toutes les autres choses que la compagnie jugera connexes à la réalisation des objets ci-haut;

Faire toutes les choses précitées ou aucune d'icelles comme principaux, agents, entrepreneurs ou autres, et par l'entremise de filécommissaires, agents ou autres, et soit seuls soit conjointement avec d'autres personnes;

S'unir ou se joindre à aucune autre compagnie dont les objets sont totalement ou partiellement semblables à ceux de la présente corporation;

Distribuer aucun bien de la compagnie, en nature, à ses actionnaires;

Tirer, souscrire, accepter, endosser, payer et émettre des billets promissoires, traites, lettres de change, mandats, bons et autres valeurs et instruments négociables et transférables ainsi que des documents d'obligations, sous le nom de "Garden City Development Company, Limited," avec un fonds social de quarante-cinq mille paistres (\$45,000.00), divisé en quatre cent cinquante (450) parts de cent paistres (\$100.00) chacune.

La principale place d'affaires de la corporation, sera à Sainte-Anne-de-Bellevue.

Datée du bureau du secrétaire de la province, ce vingtième jour de mai 1919.

Le sous-secrétaire de la province.
2103-23-2. C.-J. SIMARD.

ROSS & ANGERS,
Soliciteurs pour les Applicants.
20 rue St.-Nicholas, Montréal

DOMINION STEEL PRESIDENT'S ADDRESS.

The shareholders of the Dominion Steel Corporation which will hold its annual meeting on Monday next, received the financial statement of the company for the fiscal year ended March 31st last, during the past week. The president's address, during the past week. The president's address to the shareholders which accompanied the financial statement, reads in part as follows:

"During the period which has elapsed since April 1st, 1915, the total expenditure upon construction and for the acquisition of new properties was approximately \$11,500,000, and as the whole of this amount was provided from earnings, your directors have thought it well to set apart an equivalent portion of the surplus of the corporation as a general reserve. For this purpose \$8,500,000 has been transferred from profit and loss account, together with \$3,000,000 from special reserve brought forward from last year. The balance remaining at credit of profit and loss account is \$7,959,251.

"The net additions during the year to cost of properties amounted to \$8,092,087. The chief expenditures were upon the property of the Dominion Iron & Steel and principally in respect to its mine at Wabana, its coke ovens and ship plate mill.

"Some time after the close of the company's fiscal year, the Minister of Marine intimated that it would be necessary to consider some alteration in the arrangements existing between the Government and the Steel Company in respect to ship plates and that work upon the mill should be suspended while the matter was under consideration. Work was accordingly stopped, but although some preliminary discussions have followed, nothing definite has been proposed. Your directors are assured that, whatever may be the ultimate decision of the Government, it will not result in any loss to the company.

"Consequent upon these large expenditures there has been a decrease of \$1,412,548 in current and working assets. There is also an increase of \$2,251,474 in accounts payable, chiefly due to the inclusion of contractors' accounts for work in progress, payment of which is not due, and of the estimated liability of the corporation for federal and provincial taxes.

"Funded and mortgage debts have been decreased by the sum of \$376,680, chiefly by the retirement of bonds through the operation of their respective sinking funds."

The Speaker of the British House of Commons is given a place in order of precedence above dukes, marquises and earls. After Royalty, therefore, the Archbishop of Canterbury, the Lord High Chancellor, the Archbishop of York, the Prime Minister, the Lord High Treasurer and the Lord President of the Council only proceed the Speaker.

REDUCED LEHIGH DIVIDEND.

On June 4th last, the directors of the Lehigh Valley Railroad declared a quarterly dividend of 1¼ per cent. on the common stock of the company, thereby placing the stock on a seven per cent. basis after it had paid ten per cent. for many years. The usual dividend at 2½ per cent. was declared on the preferred stock. President Lewis speaking in connection with the reduction stated that "This action has been taken because we believe it is the conservative thing to do at this time. Paying ten per cent. dividends under existing conditions in the judgment of the directors leaves too small a margin of safety for careful management."

A GERMAN ASSET.

In view of the claim that the German forests shall contribute to the indemnity, interest attaches to the calculation of the possibilities lately made by M. Huffel, assistant director of the French National School of Woods and Forests. The total amount of wood, ripe for cutting, in the State Forests of Germany is, he computes, 338,000,000 cubic metres—a third of it pine wood, and a quarter of it beech. Its value, at present prices, is £672,000,000 (\$3,360,000,000). It would be impossible, however—even if it were economically permissible—for the German lumbermen to fell all the trees within a reasonable limit of time. Their labor would have to be supplemented by that of other wood-cutters; and it would require the importation of many millions of these to get the work done in a twelve-month.—Westminster Gazette.

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New York.....ORDUNA June 28
New York.....CARONIA July 1
New York.....CARMANIA June 5

From— To Southampton
New York.....MAURETANIA June 14

From— To London (via Plymouth and Havre)
New York.....SAXONIA June 4

From— To Piraeus, Greece.
New York.....PANNONIA June 18

ANCHOR-DONALDSON

From— To Glasgow
Montreal.....CASSANDRA (about) June 28
Montreal.....SATURNIA July 5
Montreal.....CASSANDRA (about) Aug. 5
Montreal.....SATURNIA Aug. 9

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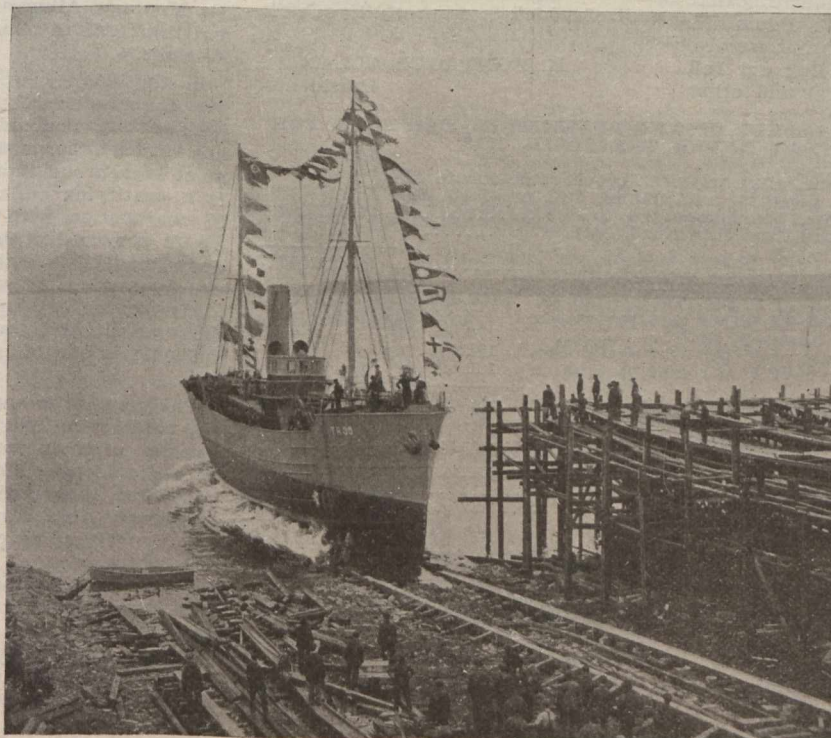
DOMINION COAL COMPANY Limited

"DOMINION and 'SPRINGHILL'"

BITUMINOUS STEAM and GAS COALS

GENERAL SALES OFFICE
112 ST. JAMES ST. MONTREAL

Davie Shipbuilding & Repairing Co., Ltd, Lauzon, Levis, P.Q.



TRAWLER LAUNCHED AT OUR YARD

The Merchants Bank of Canada

Proceedings of the Fifty-Sixth Annual Meeting of Shareholders on June 4th, 1919.

The Fifty-sixth Annual meeting of the Shareholders of The Merchants Bank of Canada was held Wednesday, June 4th, in the Board Room at the Bank's Head Office at Montreal. The meeting was called to order at 12 o'clock noon.

On motion of Mr. K. W. Blackwell, the President, Sir H. Montagu Allan, was asked to take the chair.

Mr. J. M. Kilbourn was appointed Secretary of the meeting, and read the notice calling the meeting.

The minutes of the last annual meeting were taken as read.

The President, Sir H. Montagu Allan, then presented the Annual Report, as follows:

THE ANNUAL REPORT.

I beg to submit on behalf of the Directors the Fifty-sixth Annual Statement of The Merchants Bank of Canada as at the close of business on the evening of the 30th April, 1919, together with a Statement of the Profits covering the relative period.

Notwithstanding ever-mounting operating costs, the net profits resulting from the year's business were \$1,383,569.40, being an increase over last year of \$146,888.44, a showing which, I believe, you will regard with satisfaction.

During the past year your Directors felt warranted in distributing an extra dividend of 1 per cent and in placing the stock upon an 11 per cent basis. No doubt their action in this respect will have your entire approval.

The financial position of the Bank as reflected in detail in the Balance Sheet before you, will meet, I am sure, with your full approbation.

Another Victory Loan last autumn was generously subscribed to by the Bank's clientele throughout the country, their total subscriptions reaching the very large sum of \$45,810,400, of which but \$4,333,800 was made up of conversions from previous issues. This left a net amount of \$41,476,600 paid in cash through the six months' period, and yet, despite this heavy withdrawal, our deposits for the year show the gratifying increase in total of \$24,780,330, or 21.85 per cent over last year's figures, the Savings Department receiving \$15,958,008 of this gain.

Commercial Discounts have also grown apace, having increased \$19,680,410 during the year, indicating that the earning power of the Bank has been well maintained and that we are, to the common good, lending our full support to the agricultural and other

producing industries of the country. For, it may in truth be said, this important increase is made up of advances in one way and another towards assisting essentially productive industries throughout the Dominion.

An issue of \$1,400,000 of new stock has been made, but as the allotment was to Shareholders of record at 30th April, the matter will fall for reference more appropriately at next year's meeting. Suffice it to say in the meantime that the new allotments are being satisfactorily taken up—a large proportion indeed, having already been paid for in full in advance of the instalment dates.

Since the signing of the Armistice on the 11th November last, we have opened numerous Branches and Sub-Branches at points carefully selected during the long period (ending with the Armistice), in which all the Banks maintained a strict embargo against branch extensions. These new fields of endeavor and profit are, in practically every case, realizing our expectations, and while the relative initial expense is not inconsiderable, we have every reason to believe we shall be rewarded by amply profitable results in due course.

You will, I am sure, join with your Directors in extending to the members of the staff, one and all, a word of cordial appreciation for their loyal and efficient services, to which the measure of progress the Bank has enjoyed is in no small degree attributable.

During the course of the year death removed our esteemed colleague, Mr. Andrew A. Allan, and in his untimely end the Bank has suffered a heavy loss, deeply deplored by all connected with the institution. He was a man of sound judgment and high principles, whose advice was at all times as valued as he personally was esteemed and respected.

The vacant seat upon the Directorate has been filled by the appointment of Mr. Lorne C. Webster, a large shareholder in the Bank and a man of wide business experience, connected with many important commercial enterprises.

All the various offices of the Bank have been inspected during the past twelve months.

The Auditors' Certificate is appended.

All of which is respectfully submitted.

H. MONTAGU ALLAN,
President.

STATEMENT OF THE RESULT OF THE BUSINESS OF THE BANK FOR THE YEAR ENDED 30th APRIL, 1919.

The Net Profits of the year, after payment of charges, rebate on discounts, interest on deposits and making full provision for bad and doubtful debts, have amounted to	\$1,383,569.40
The balance brought forward from 30th April, 1918, was	437,973.92
Making a total of	\$1,821,543.32
This has been disposed of as follows:	
Dividend No. 124, at the rate of 10 per cent per annum	\$175,000.00
Dividend No. 125, at the rate of 10 per cent per annum	175,000.00
Bonus 1 per cent paid 6th January, 1919	70,000.00
Dividend No. 126, at the rate of 11 per cent per annum	192,500.00
Dividend No. 127, at the rate of 11 per cent per annum	192,500.00
	\$805,000.00
Government War Tax on Circulation	70,000.00
Written off Bank Premises Account	300,000.00
Contribution to Officers' Pension Fund	50,000.00
Contribution to Joint Campaign, Canadian Red Cross and Navy League	15,000.00
Contribution to Y.M.C.A. Military Service Fund	7,500.00
Balance carried forward	574,043.32
	\$1,821,543.32

H. MONTAGU ALLAN
President.

D. C. MACAROW,
General Manager.

STATEMENT OF LIABILITIES AND ASSETS AT 30th APRIL, 1919.

	LIABILITIES.	
	1919.	1918.
1. To the Shareholders.		
Capital Stock paid in	\$7,000,000.00	\$7,000,000.00
Reserve Fund	7,000,000.00	7,000,000.00
Dividends declared and unpaid	194,194.00	176,900.00
Balance of Profits as per Profit and Loss Account submitted herewith	574,043.32	437,973.92
	\$14,768,237.32	\$14,614,873.92

2. To the Public.		
Notes of the Bank in Circulation	13,316,033.00	12,327,168.00
Deposits not bearing interest	43,552,214.61	34,886,747.83
Deposits bearing interest (including interest accrued to date of Statement)	91,904,993.37	75,946,985.48
Balances due to Banks and Banking Correspondents in the United Kingdom and foreign countries	105,076.96	1,161,976.79
Bills payable	464,153.05	598,851.20
Acceptances under Letters of Credit	.....	.....
Liabilities not included in the foregoing	.....	.....
	\$166,725,404.95	\$140,937,544.97

ASSETS.

Current Coin	\$4,946,946.33	\$4,890,061.36
Current Coin	\$4,946,946.33	\$4,890,061.36
Dominion Notes	8,405,602.50	5,912,092.50
Notes of other Banks	985,044.00	893,076.00
Cheques on other Banks	6,082,616.99	5,311,786.12
Balances Due by other Banks in Canada	3,215.80	4,704.37
Balances due by Banks and Banking Correspondents in the United Kingdom	123,496.50	82,580.53
Balances due by Banks and Banking Correspondents elsewhere than in Canada and the United Kingdom	1,903,040.10	1,357,843.03
Dominion and Provincial Government Securities, not exceeding market value	6,005,573.65	5,435,464.66
Railway and other Bonds, Debentures and Stocks, not exceeding market value	4,119,705.32	4,060,204.70
Canadian Municipal Securities and British, Foreign and Colonial Public Securities other than Canadian	15,238,399.32	14,589,065.54
Call Loans in Canada on Bonds Debentures and Stocks	5,134,690.71	5,223,953.88
Call Loans elsewhere than in Canada	2,801,857.72	3,906,648.93
	\$62,750,188.94	\$57,667,481.62
Current Loans and Discounts in Canada (less Rebate of Interest)	95,874,426.04	76,194,016.15
Current Loans and Discounts elsewhere than in Canada (less Rebate of Interest)	332,918.12	339,987.29
Liabilities of Customers under Letters of Credit as per contra	464,153.05	598,851.20
Real Estate other than bank premises	782,326.64	312,928.11
Overdue Debts, estimated loss provided for	386,973.56	272,226.60
Bank Premises at not more than cost (less amounts written off)	5,253,269.48	4,886,438.98
Deposit with the Minister for the purposes of the Circulation Fund	366,000.00	355,000.00
Other Assets not included in the foregoing	515,149.12	310,615.02
	\$166,725,404.95	\$140,937,544.97

H. MONTAGU ALLAN,
President.

D. C. MACAROW,
General Manager.

REPORT OF THE AUDITORS TO THE SHAREHOLDERS OF THE MERCHANTS BANK OF CANADA.

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 of Account and other records at the Chief Office of the Bank and with the signed returns from the Branches and Agencies and have checked the cash and verified the securities of the Bank at the Chief Office against the entries in regard thereto in the books of the Bank at 30th April, 1919, and at a different time during the year and found them to agree with such entries. We also attended at some of the Branches during the year and checked the cash and verified the securities held at the dates of our attendances and found them to agree with the entries in regard thereto in the books of the Bank.

We have obtained all the information and explanations we have required. In our opinion the transactions of the Bank, which have come under our notice have been within the powers of the Bank and the above 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.

VIVIAN HARCOURT
GORDON TANSLEY,
Auditors.

(of the firm of Deloitte, Plender, Griffiths & Co.)

THE GENERAL MANAGER'S ADDRESS.

The General Manager, Mr. D. C. Macarow, in addressing the meeting, said:

Mr. Macarow:—In the first place I would like to express, speaking on behalf of the Executive Officers of the Bank, indeed on behalf of the staff at large, our pleasure at having Sir Montagu Allan again amongst us and to extend to him our most cordial welcome.

In the mighty work overseas now happily satisfactorily and, let us hope, permanently concluded, Sir Montagu has, indeed, borne his share and it must be a proud thought to him, as it is a gratifying reflection to us, that in conjunction with that great work, his is a record of high and patriotic duty manfully embraced and efficiently carried through. (Applause).

My words, Sir Montagu, but express feelings sincerely entertained. Your welcome is one of unaffected cordiality.

The moment is opportune, I am sure you will agree, and I gladly take advantage of it, to pay a tribute to the Vice-President, Mr. Blackwell, who has filled the chair throughout the President's absence with such a measure of outstanding capacity. From the rich storehouse of his wide, varied and practical business experience, he has given with an unstinted hand, and it is no empty conventionality to say that the measure of progress the Bank has enjoyed during his incumbency is due in no small degree to the benefit of his sound advice and the inspiration of his constructive courage. Withal, his courteous and

considerate demeanor to everyone has made his a figure around the Executive Offices of the Bank as welcome as it is honored and respected. (Applause).

After the concise yet comprehensive references and explanations made by the President in his address, which you have just heard, any attempt on my part at amplification with respect to the outturn of the year's operations in the matter of profits and to the general financial statement would, indeed, be superfluous and time-wasting.

I will, therefore, content myself by saying that I hope the situation as reflected by the figures given will be satisfactory to all and measure up in full degree to the expectations and wishes of everyone interested in the Bank's progress.

Last year you may remember, I said that you might entertain with full confidence the comfortable assurance that the whole asset column represented dollar for dollar in actual value. I take pleasure in repeating that assurance this year—and with double emphasis.

May I be permitted to add a few brief and sketchy words of a general character and interest?

It is with feelings of intense relief that we now find ourselves gradually moving into peace times, leaving behind us that stressful period so darkened by the war's depressing shadows and under the dread pall of which we had become accustomed to live and to view things. But in this transition period we cannot fail to realize that with the readjustment come many difficult problems, financial and otherwise, to face and solve. This, how-

ever, is a country of well-nigh boundless potentialities, and we can, I think, whatever be the perplexities of the moment, view the ultimate future with every measure of confidence.

Of the spirit and virility of the Canadian people, we have had abundant illustration during the past few years. That spirit has carried us through the difficulties of the war period; that spirit, I know, will enable us to meet the no less difficult and complex questions by which we are now confronted. Sanity and co-operative effort are all that are needed. Let reason reign.

Reference was made last year to the paramount necessity of keeping the wheels of industry uninterruptedly moving, and to the major importance, with that end in view, of developing along broad lines our export trade, to which, indeed, we must look in large measure for the carrying and eventual liquidation of our war indebtedness.

Much has been done during the twelve months in preparation for realizing upon the exportable surplus of this country's raw materials, foodstuffs and manufactures, but as the development of a broad foreign trade is not a matter of a single year or even decade, it is to be hoped that having set our hand to the task the efforts already put forth will continue to be pushed forward with vigor and resourcefulness.

Canada's magnificent achievements during the war period have made this Dominion known the world over, presenting to us opportunities awaiting only development at our hands along far-sighted and progressive lines.

In this connection it may be pertinently added that a solidly-established mercantile marine of our own is of the greatest national importance, if not indeed, an absolute essential, if we are to succeed in any large and permanent way in world trade. That this country will in course of time have its own ships in which to carry its own products to the markets of the world is a consummation devoutly to be wished and courageously striven for.

Without in any way attempting to touch upon matters having, perhaps, a more or less political aspect, may I be permitted to draw attention to the question of Imperial Preference and to express the keen feeling of interest and appreciation which we all must experience at the mother country's first step in the development of this far-reaching and all-important policy. Imperial preference and Inter-Imperial trade arrangements, will, I hope and do verily believe, be the liveliest kind of issues by the time we again meet for the purpose of submitting and discussing another year's business.

You will be interested in knowing that according to our reports the condition of Canada's greatest industry, agriculture, is this year rich in promise, especially in the Western Provinces, where the crops have seldom, if ever before, got away to a better start.

We recently organized and put in motion the Bankers' Trust Company, which will operate to some extent as an auxiliary to the Bank. Such companies, well managed, are excellent, both as conservers of old and creators of new business for the Bank with which they are associated, and we expect our Company, which opened its doors on the 1st of May, will prove a strong, conservative and useful ally. The want of such an affiliated Company has been felt in an increasing degree for some years past.

Just one further word as to that all-important asset which the Balance Sheet does not reveal—the staff; I cannot too strongly endorse the words of appreciation so fittingly expressed by the President and I have no hesitation in saying that in point of loyalty and efficiency in staff of this Bank is second to none.

For a long period prior to the signing

of the Armistice and during demobilization thereafter, the staff of the Bank was reduced, indeed, to a veritable "thin red line," but while numerically weak, the spirit was there in full strength, and we were enabled as a result, to conserve and develop our business in the notably satisfactory manner reflected by the comparative figures shown. (Applause).

So much for that section of the staff, who, for one reason or another, were rendered ineligible for military service. Theirs is a record which we recognize with appreciation and view with pride.

As to those who joined the colors, you will be interested in knowing that from a staff of 1,300 odd at the outbreak of war, enlistments numbered no less than 823, or roughly 63 per cent of the whole, which must very nearly represent 100 per cent of the eligibles. (Applause).

Of those splendid young men, 73 made the supreme sacrifice, 37 were wounded, some more than once, and many received high decorations for valor and efficiency.

To the memory of those whose bodies sanctify the soil of France and Flanders, we can but offer the highest tribute of reverential respect.

To those incapacitated through wounds and otherwise, we are gladly endeavoring to render such assistance as lies within our power.

And to those eligible for re-entering the service of the Bank we are finding positions upon a scale of remuneration which provides against their suffering any hardship in a monetary sense by reason of having joined the colors. In other words, we are giving to each and every man the same salary as when he left, plus such increases as would have followed in the ordinary course had he remained.

To put it in a word, Gentlemen, we are proud of our staff, one and all, and I am sure you will agree with me that we have every reason to be proud of them. (Applause.)

On motion of Mr. D. Kingborn, seconded by Mr. W. B. Blackader, Messrs. Vivian Harcourt and Gordon Tansley, of Deloitte, Plender, Griffiths and Co., were reappointed Auditors of the Bank.

INCREASE IN CAPITAL STOCK.

It was moved by the President, seconded by the Vice-President — "That the Capital Stock of the Bank be, and is hereby increased from ten million dollars (\$10,000,000) to fifteen million dollars (\$15,000,000) by the creation of fifty thousand (50,000) new shares of the par value of one hundred dollars (\$100.00) each."

It was explained by the President that there is no intention of issuing this Capital in the near future, but that it was thought possible to make timely provision well in advance of possible or probable requirements.

The resolution was unanimously adopted.

On motion of Mr. R. Campbell Nelles, seconded by Mr. A. Haig Sims, Messrs. John Patterson and Arthur Browning were, by unanimous vote, appointed scrutineers, and instructed to cast one ballot for the election of the following persons as Directors: Sir H. Montagu Allan, Mr. K. W. Blackwell, Mr. Thomas Long, Mr. F. Orr-Lewis, Hon. C. C. Ballantyne, Mr. A. J. Dawes, Mr. F. Howard Wilson, Mr. Farquhar Robertson, Mr. Geo. L. Cains, Mr. Alfred B. Evans, Mr. E. F. Hebden, Mr. T. Ahearn, Lt.-Col. Jas. R. Moodie, Mr. Lorne C. Webster.

The ballot having been cast, the directors, as named, were declared elected.

The President—"Before we adjourn I would like to say a few words. As you know, I have been overseas four years. During that time there has been a change in the General Managership of the Bank. I have not hitherto had opportunity of saying anything to the

Shareholders with regard to our new General Manager.

"I do not wish to say too much about him because the result of his work has been so good that to express my opinion of it might be regarded as unduly flattering, and I may pertinently add that in so far as I can ascertain, he has the full support of a loyal and efficient staff. As President of the Bank I may say that his work has given me and the Directors every satisfaction and confidence for the future of the Bank, and I am sure that you will all agree with me that in Mr. Macarow we have found a very efficient man as General Manager." (Applause.)

On motion of Messrs. John Patterson and S. M. Baylis, a vote of thanks was tendered the General Manager and Staff, which was briefly acknowledged by Mr. Macarow, who said that while he fully appreciated the kind, over-kind, references to himself, it was not affectation on his part to disclaim any measure of special credit for the progress shown; rather was it due to co-operative effort all along the line, extending from the Chairman of the Board to the junior clerk in the smallest office. The benefit of that intensive co-operation was recognized and acknowledged by none more than by himself.

Mr. Campbell Nelles — "Before we adjourn I would like to express the welcome of the Shareholders to the President, Sir H. Montagu Allan, on his return after four years' absence overseas. We all know why he was away, and we know of his splendid services in connection with the war, and we are all delighted to see him back in his old position at the head of this Bank." (Applause.)

This concluded the business of the meeting, which then adjourned.

At a subsequent special meeting of the Directors Sir H. Montagu Allan was re-elected President and Mr. K. W. Blackwell, Vice-President.

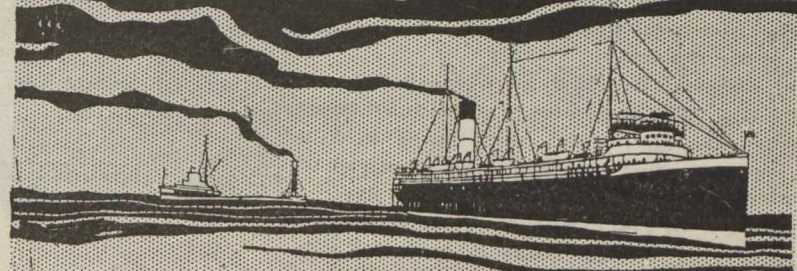
HARBOR COMMISSIONERS HONORED.

In the room of the Harbor Commissioners' office, where the inception of the Navy League of Canada took place, an interesting presentation was made last week to Wm. G. Ross, chairman; M. P. Fenell, secretary of the Harbor Commissioners, and also to R. W. Reford, by Rev. Dr. Alfred Hall, commissioner of the British and Foreign Sailors' Society. Three inscribed salvers, all manufactured out of copper taken from the old flagship "Victory," and all bearing on them a view of Nelson's flagship putting into Gibraltar after the battle of Trafalgar, were handed to the three named by Rev. Dr. Hall, who in making this presentation explained that it was to mark the no mean effort which they had put forth in raising two and a half million dollars for the Navy League, and also generally as a tribute to their activities on behalf of Jack Tar during the past four and a half years.

In acknowledging the gifts, Mr. Ross and Mr. Fenell both referred to what Rev. Dr. Hall had done in the same period in the way of enthusing the people of Canada in naval and mercantile marine affairs and in seafaring men.

Sir Alfred Booth, president of the Cunard Line, and Sir Ashley Spargs, vice-president, who are here on a visit, were both spectators of the ceremony.

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HUNTED ELEPHANTS, NOT HUNS.

According to information received in London, Eng., from Capetown, a demand has sprung up there for a searching investigation into the manner in which the British campaign was conducted in East and Central Africa after General Smuts had relinquished command to go to England. When he left it was believed that the campaign had been virtually concluded. Owen Letcher, formerly an officer in the East African Expeditionary Force, reviews the campaign in a series of articles in The Cape Times, and strongly advocates a commission of inquiry. Belief prevails in Capetown, it is said, that the sport of yachting at Dar-es-Salaam and elephant hunting in the interior were largely responsible for the prolongation of the fighting.

The campaign is said to have exceeded the cost of the Boer War, amounting to about \$1,500,000,000. To the casualties, which were heavy in killed and wounded, must be added many men who will suffer from fever for the rest of their lives.

The work of the Portuguese colonial forces is criticized, also the huge headquarters staffs maintained by the British hundreds of miles from the scenes of the actual fighting. Discussing the Portuguese, Letcher writes: "In common justice to our forces it must be set on record that not only did the Portuguese colonial army put up a poor defence against the marauding Germans, but that their presence was a very substantial advantage to Von Lettow, the German commander, inasmuch as they frequently embarrassed our movements and surrendered to the enemy guns, rifles, machine guns and supplies of which the Germans were badly in need.

"The engagement at Nhamacurra, about 30 miles from Quelimane, which was fought in the beginning of July, 1918, was a particularly disastrous event for us, since the Portuguese had lost two guns, with a lot of other equipment, and the native troops, despite the efforts of their officers, had broken in disorder, the enemy attacked Major Gore Browne's King African Rifles' attachment, and largely through the employment of the two captured guns, inflicted a severe defeat on us."

OTHER REASONS.

Heinie declares that he made peace because of the fourteen points. A few million bayonet-points had something to do with it, also. — Grenville (S.C.) Piedmont.

DR. HARRISON'S WORK IN EUROPE.

The following letter has been received by Sinclair Laird, acting principal of Macdonald College, Ste. Anne de Bellevue, from Dr. Harrison, head of Macdonald College.

"I am at Ripon, where all the draftees (19,000) are located and which is the headquarters of the university work. Here, there is beside elementary education, a matriculation and a senior matriculation class, one and two year arts, one and two year science, one and two year agriculture, first year medicine, one, two and three year theology, first year pharmacy, first year law, in all classes over 7,000 students.

"I am arranging some fishing tours of the east coast for the Imperial Education Committee—for men whose occupation previous to the war was that of fishermen, etc. The object is to give them

an idea of the English fishing industry, including the work of trawlers, preservation, salting, curing, smoking and canning of fish—the preparation of fish meals for cattle and poultry feeding, etc.

"Educational tours to all kinds of schools are being arranged for school teachers. Industrial towns of all kinds for men interested in these lines.

"We are also arranging for 1,000 agricultural students to visit the Royal Agricultural Show—and have asked the Prince of Wales to put up a trophy for competition between teams from the British Dominion overseas (Canada, Australia, New Zealand, South Africa and Newfoundland).

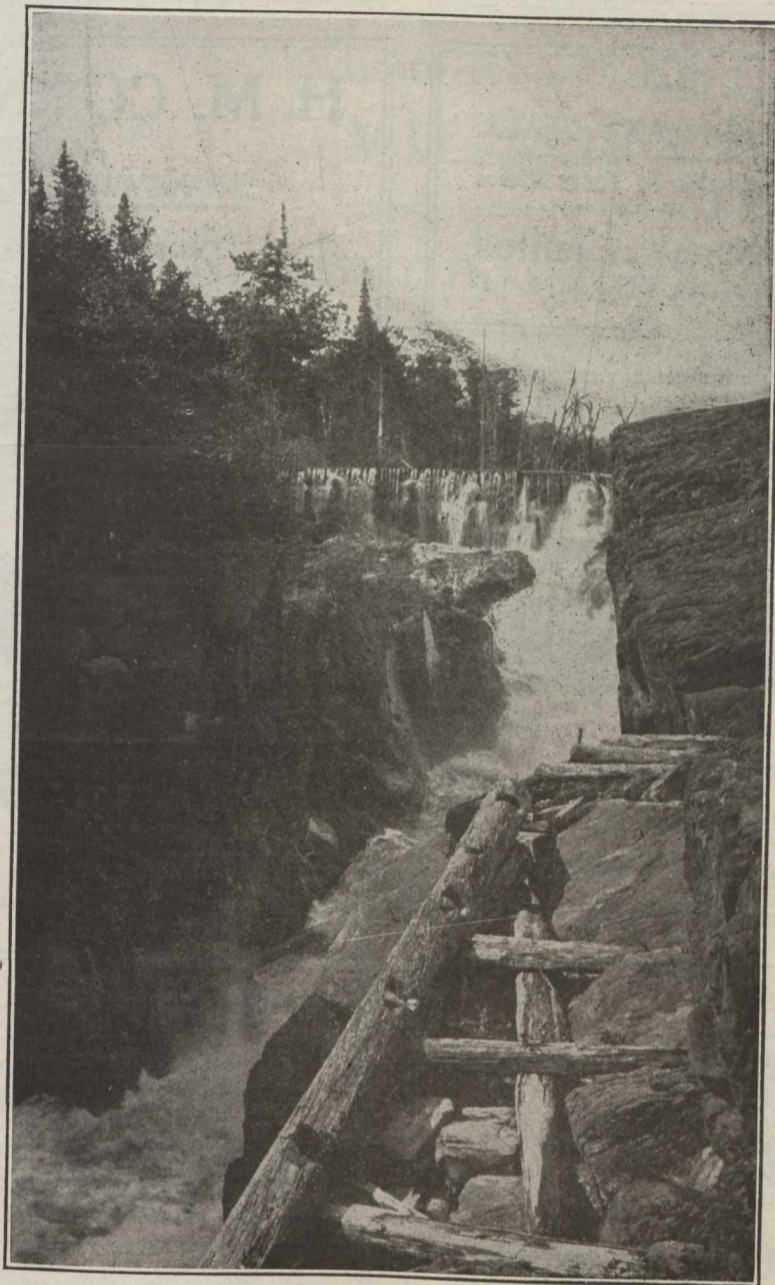
"I am giving the bacteriology lectures for the second year students here, concentrating the work in two weeks by giving two or three lectures per day."

INDUSTRIAL REPORT FOR MEN FOR WEEK ENDING MAY 3rd.

	Vacancies unfilled at beginning of period.	Vacancies notified by employers during period.	Vacancies unfilled at end of period.	Applicants unplaced at beginning of period.	Applications & re-applications during period.	Applicants unplaced at end of period.	Referred to vacancies.	Zone applicants placed within Zone.
Agriculture	3,994	979	3,602	1,148	1,121	1,307	882	774
Bld. & Construction	253	457	302	807	448	664	346	313
Com. & Mercantile	67	185	66	1,099	399	956	194	151
Dom. & Personal	130	171	91	387	207	239	163	132
Fishing & Hunting . . . . .	...	...	...	2	...	2	...	...
Labouring	543	1,696	681	4,629	1,959	3,324	1,645	1,517
Lumbering	166	297	267	175	162	187	112	127
Mfg. Brick, etc.	2	8	6	3	7	8	7	1
Mfg. Chemicals, etc.	53	154	213	15	20	17	3	16
Mfg. Food, etc.	42	19	15	46	21	35	17	20
Mfg. Leather	20	13	24	26	14	20	6	9
Mfg. Metals	92	208	80	879	348	762	202	175
Mfg. Pulp & Paper	4	10	9	23	14	23	5	5
Mfg. Textiles, etc.	75	36	83	35	14	30	16	15
Mfg. Vehicles, etc.	35	55	30	45	54	30	51	16
Mfg. Woodworking	43	60	60	33	30	25	18	43
Prof. & Technical	10	18	9	104	42	95	20	15
Quarrying & Mining	51	31	40	120	49	103	38	34
Railway Construction	177	42	142	74	57	58	46	43
Railway Operation	56	60	60	249	93	200	51	63
Shipping & Longshore work	45	71	45	45	107	67	80	78
Miscellaneous	80	358	113	436	4,466	692	369	319
Total	5,934	4,928	5,938	10,380	5,632	8,744	4,271	3,846

Nova Scotia Water Power

Investigations now under way by the Nova Scotia Water Power Commission have already revealed a natural resource in water power close to existing industrial centres and excellent ocean shipping ports, which, as yet, has hardly been touched.



A partial development of the site here shown has made possible the profitable operation of gold-bearing ores, great bodies of which merely await the development of adjacent water powers for successful and profitable operation.

For Further Information write

W. B. MacCOY, K. C.,

Secretary Industries and Immigration

HALIFAX, NOVA SCOTIA

THE BRITISH LEATHER SITUATION.

A despatch relating to the leather situation in England during the past month has come to hand from Walsall, which states that both the prices and the allocation of raw hides are still controlled, although, as stated last month, it is anticipated that the control of leather in all its stages will be removed next June. Orders for manufactured leather are plentiful from Allied and neutral countries, especially from France, Belgium and Italy, and prices, being uncontrolled, are more on a parity with world values. The Government, however, claims 75 per cent of any advance in price over and above the recent control prices. The home saddlery trade, generally speaking, is good, saddlers' stocks throughout the

country having been reduced to the minimum during the war. There is a demand for equipment and gear for agricultural operations, and for harness and sundries for tradesmen's vehicles of all kinds. A slackening of trade in this direction will probably follow after the pre-war position has been made good. The high prices now ruling are very much against the resumption of export trade on anything like a pre-war scale, in spite of the gradual removal of Government restrictions on the use of material and shipping facilities. During the war, our Colonies and other countries to which saddlery was formerly exported have learnt to a large extent to supply themselves, or have obtained from other sources goods they are still unable to make. Manufacturers who sent out samples and quotations to

foreign buyers early in the year are now confronted with the difficulty of increased cost of production, with a consequent holding up of business. A resumption of the export trade is therefore likely to be long and difficult.

The Megantic, which came into Montreal last week is the largest steamship to come up the St. Lawrence River and is a White Star-Dominion owned ship.

In Alsace it is reported that poison gas, which was used during the war saturated the grass in the Lutterbach region and that although the grass was not affected cattle were poisoned when they ate it.

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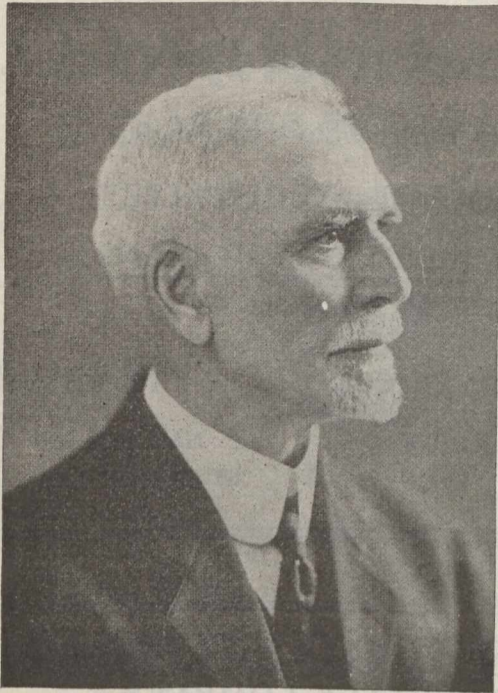
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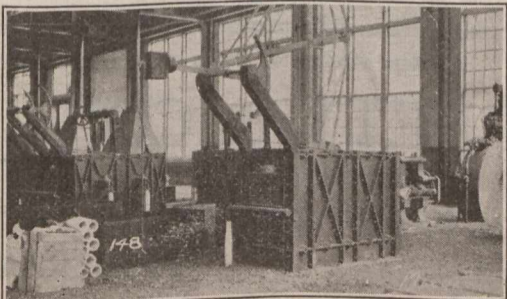
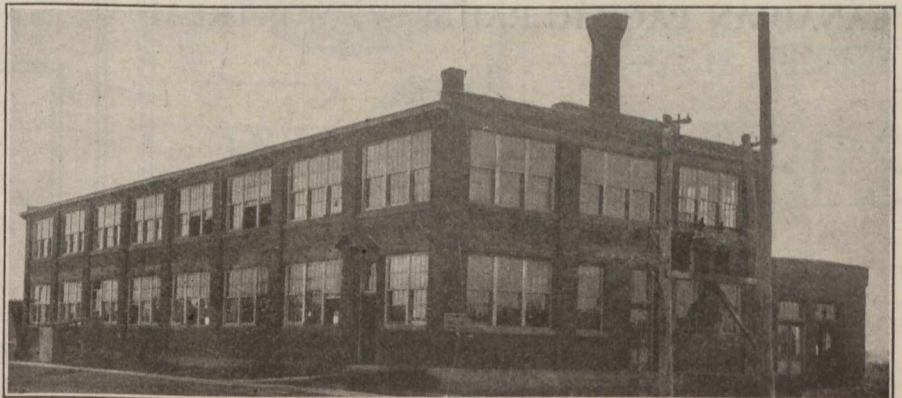
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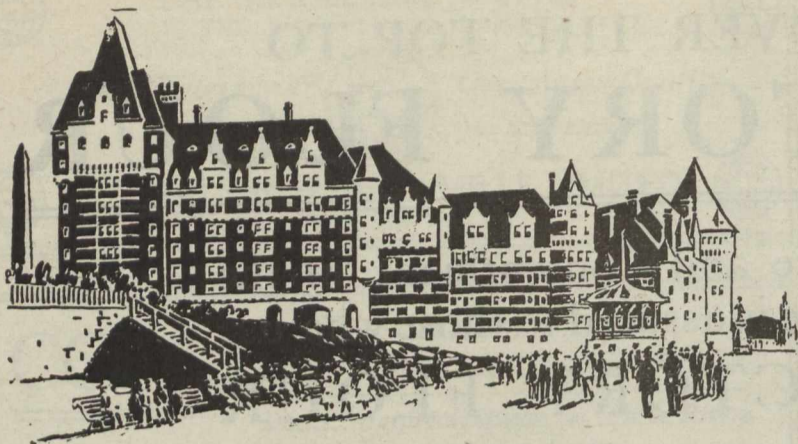
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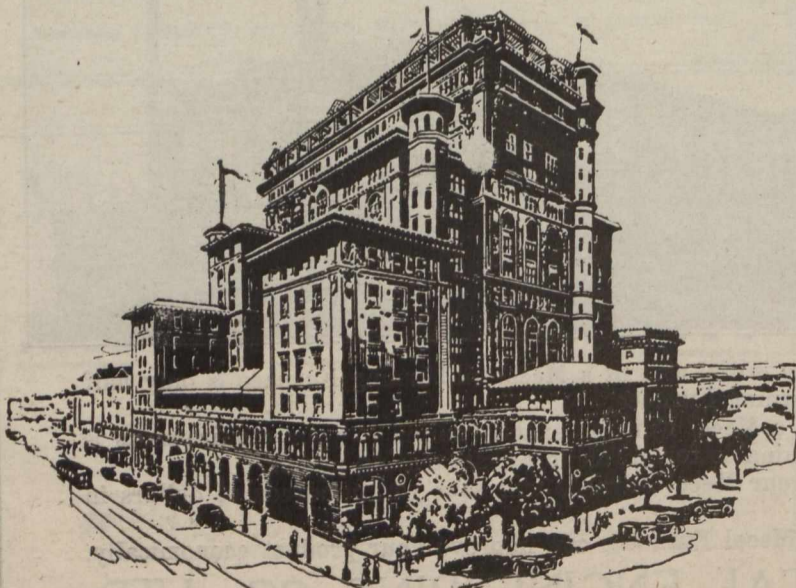
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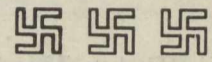
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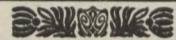
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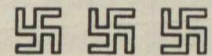
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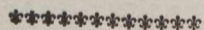
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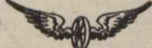
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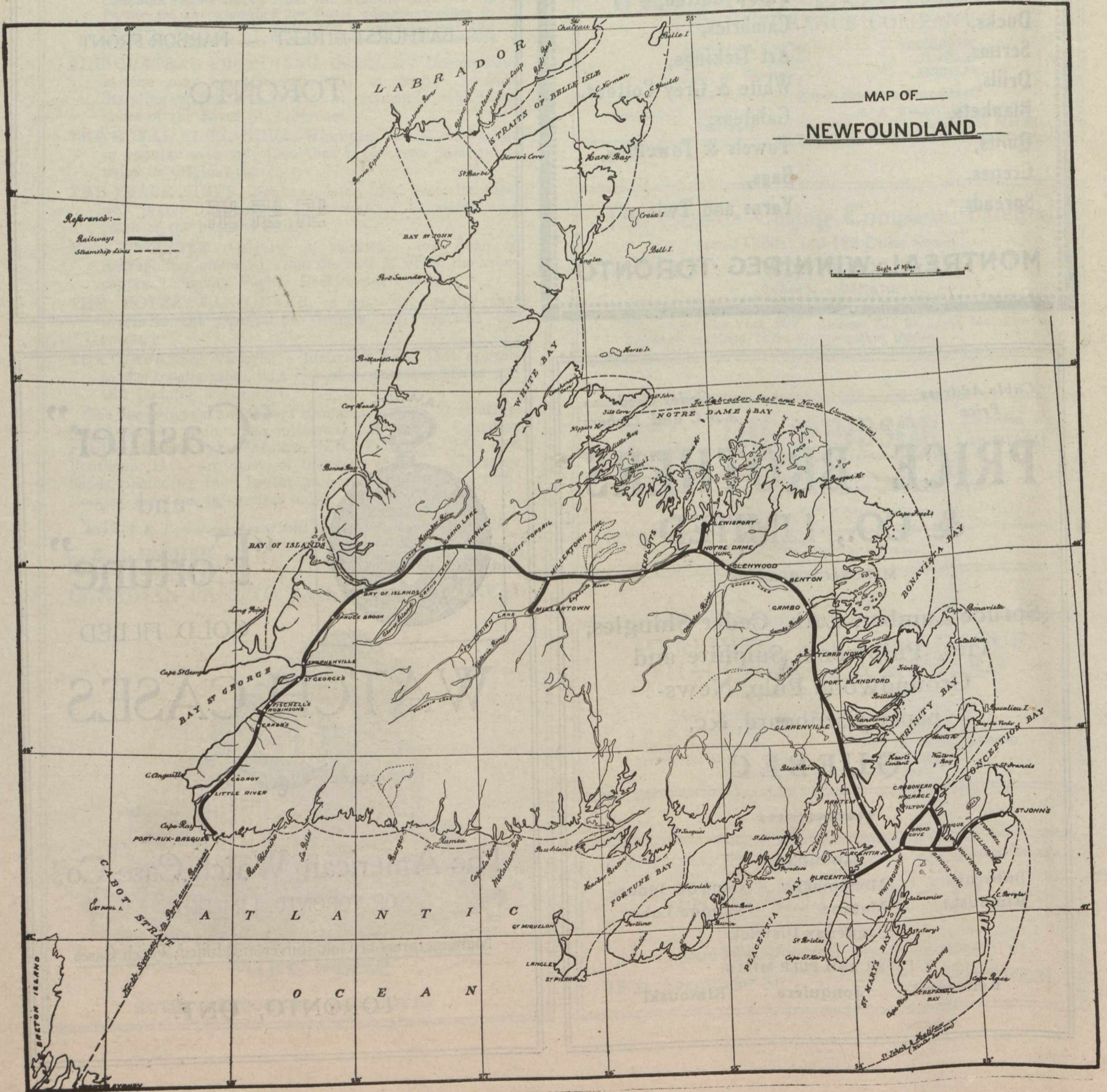
(BRITAIN'S OLDEST COLONY)

For the Winter Months, an Express Train with Dining and Sleeping Cars will leave St. John's on Sundays, Tuesdays and Thursdays only.

Connection from Canada and United States' points will be made at North Sydney, after arrival of the Canadian Government Railway Express, No. 5, on Tuesdays, Thursdays and Saturdays, the steamer arriving at Port aux Basques on Wednesday, Friday and Sunday morning, there connecting with Express Train for points between Port aux Basques and St. John's.

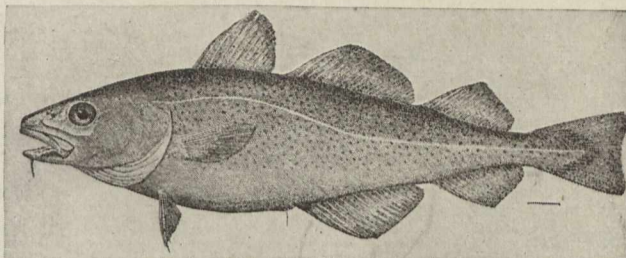
For further information, apply to

F. E. PITMAN, General Passenger Ticket Agent,
REID NEWFOUNDLAND COMPANY,
ST. JOHN'S, NEWFOUNDLAND.



Where the Codfish Come From

The climate of Newfoundland is more temperate than that of the neighboring Maritime Provinces; the thermometer rarely sinks below zero in winter, while the summer range rarely exceeds 80 deg. F.



Newfoundland Crown lands for farming purposes may be had for thirty cents an acre. The Island's agricultural development is going ahead by leaps and bounds.

WHETHER YOU WISH TO FISH FOR SPORT OR FOR PROFIT
 :: COME TO NEWFOUNDLAND ::

HER fishing resources for either the commercial fisherman or the sportsman are the greatest in the world. They now produce well over fifteen million dollars of wealth per annum, and they are only beginning to be developed.

Newfoundland is the home of the cod fish and this forms the largest item in her fish production. But the island also produces large quantities of herring, salmon, lobster and many of the lesser fishes.

Heretofore these have come on the markets of the world in the dry-salted and pickled condition. But the frozen fish industry is rapidly developing. The latest reports from the British markets affirm that "the recent arrival of Newfoundland frozen fish was superior to the fresh fish often received from the Iceland grounds."



Newfoundland's forest wealth is large. The mineral resources are only partially known, although the iron mines on Bell Island have an output of 1,500,000 tons, and the industrial possibilities are attractive from every point of view.

The Government of Newfoundland gives generous aid to agricultural development. The value of agricultural products now approximates over \$4,000,000. Sheep raising is being encouraged and the progress in that direction is remarkable.



Imperial Bunkering Stations

UNKER oil meeting Lloyd's specifications supplied at all stations. Diesel oil for Diesel or other internal combustion marine engines available in any quantity desired at Halifax, Montreal, Sarnia and Ioco. Fuel oil supplied either in or out of bond at Vancouver and Prince Rupert.

All stations carry a full supply of high-grade lubricating oils and greases. Every equipment for prompt delivery. No wharfage charges while fueling.

HALIFAX, N.S.
 Length of dock 440 ft.
 Depth at low tide 35 ft.
 Fuel oil tankage 105,000 bbls.
 Diesel oil tankage 35,000 bbls.
 Loading capacity per hour 4,500 bbls.

QUEBEC, P.Q.
 Length of dock 1 ft.
 Depth at low tide 30 ft.
 Fuel oil tankage 41,000 bbls.
 Diesel oil tankage 14,000 bbls.
 Loading capacity per hour 2,000 bbls.

MONTREAL, P.Q.
 Montreal East.
 Length of dock 1 ft.
 Depth at low tide 33 ft.
 Fuel oil tankage 65,000 bbls.
 Diesel oil tankage 14,000 bbls.
 Loading capacity per hour 1,200 bbls.

VICTORIA, B.C.
 Length of dock 100 ft.
 Depth at low tide 33 ft.
 Fuel oil tankage 5,000 bbls.
 Loading capacity per hour 800 bbls.

TORONTO, ONT.
 Dock accommodates largest steamers entering harbor.
 Depth at low water 15 ft.
 Fuel oil tankage 50,000 bbls.
 Loading capacity per hour 1,000 bbls.

HAMILTON, ONT.
 Dock accommodates largest steamers entering harbor.
 Depth at low water 15 ft.
 Fuel Oil tankage 50,000 bbls.
 Loading capacity per hour 1,000 bbls.

SARNIA, ONT.
 Length of dock 285 ft.
 Depth at low water 19 ft.
 Fuel oil tankage 40,000 bbls.
 Loading capacity per hour 1,000 bbls.

FORT WILLIAM, ONT.
 Length of dock 400 ft.
 Depth at low water 19 ft.
 Fuel oil tankage 40,000 bbls.
 Loading capacity per hour 1,000 bbls.

VANCOUVER, B.C.
 Ioco.
 Length of dock 200 ft.
 Depth at low tide 30 ft.
 Fuel oil tankage 41,000 bbls.
 Diesel oil tankage 14,000 bbls.
 Loading capacity per hour 2,000 bbls.

Grand Trunk Dock.
 Dock accommodates largest sea-going vessels.
 Depth at low tide 33 ft.
 Fuel oil tankage 65,000 bbls.
 Loading capacity per hour 1,200 bbls.

VICTORIA, B.C.
 Length of dock 100 ft.
 Depth at low tide 33 ft.
 Fuel oil tankage 5,000 bbls.
 Loading capacity per hour 800 bbls.

PRINCE RUPERT, B.C.
 Length of dock 100 ft.
 Depth at low tide 40 ft.
 Fuel oil tankage 110,000 bbls.
 Loading capacity per hour 1,000 bbls.

OIL BUNKERING STATION AT ST. JOHN N.B. NOW UNDER CONSTRUCTION.

IMPERIAL OIL LIMITED
 Power - Heat - Light - Lubrication
 Branches in all Cities