

# The Journal of Commerce

Vol. XLI., No. 25

MONTREAL, TUESDAY, JUNE 20, 1916

Price Ten Cents

## The Journal of Commerce

Devoted to

CANADIAN INDUSTRY, COMMERCE  
AND FINANCE.

Published every Tuesday Morning by

The Journal of Commerce Publishing Company,  
Limited.

35-45 St. Alexander Street, Montreal.  
Telephone: Main 2662.

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

Subscription price, \$3.00 a year.  
Single copies, 10 cents.  
Advertising rates on application.

MONTREAL, TUESDAY, JUNE 20, 1916.

### Special Articles

Questionable Promotion Method.

The Interest Rate on the Next War Loan.

By H. M. P. Eckardt.

The Great Lock-Out in New York.

By W. W. Swanson.

Conditions in the West.

By E. Cora Hind.

Our London Letter.

By W. E. Dowding.

#### PRINCIPAL CONTENTS.

Editorials:	Page
Fiscal Policy After the War.....	1
Rural Credits .....	2
The Bench and the Candidate .....	2
The Movies .....	2
A Whisky Embargo .....	2
The Mexican Situation .....	3
The Interest Rate on the Next Loan .....	4
Our London Letter .....	4
The Great Lock-Out in New York .....	5
Canada's Opportunity .....	5
Among the Companies .....	6-7
Business Conditions in Canada .....	8
The Possibilities of Russian Trade .....	8
Elevator Capacity at Head of Lakes .....	8
The Business Profits Tax .....	9
New Russian Loan .....	9
Prospects for New Dominion Loan .....	10
Bank of England Statement .....	11
Bank of France Return .....	11
The Serial Bond Principle .....	12
Co-operation in Developing Foreign Trade.....	12
The Exporter's Field .....	13
Foreign Industry and Commerce .....	14
Canadian Industry, Commerce and Finance....	15
Interesting Judgment on Accident Claim .....	16
Insurance News and Notes .....	17
Preparedness .....	17
Questionable Promotion Method .....	19
Commodity Markets .....	20-21
Western Canada Power Company .....	22
Conditions in the West .....	23
Grain at Head of Lakes .....	23
Grain News .....	23
Railway and Shipping Notes .....	24

## Fiscal Policy After the War

IT is not too early to give attention to some of the many problems which will present themselves for the consideration of the British Empire at the close of the war. Some of them may be intelligently anticipated and plans may even now be made for meeting the new conditions. The making of provision for the treatment of the wounded soldiers, and for obtaining suitable employment for the many thousands of men when military life will no longer claim them, are matters that may well engage the attention of all thoughtful people at this time. There is, however, one great question upon which nobody is in a position to come to an intelligent decision at present.

It is the question whether after the war there can be a common commercial policy for all parts of the Empire and, if so, what that policy shall be. There are speakers and writers who apparently are ready to settle this question, in principle, if not in detail, without any delay. All that is necessary, in their view, is that the Empire shall accept the particular ideas which they themselves happen to entertain. It seems to be assumed that because we are at war with the Germans and Austrians we must legislate to prevent trade with them after the war. This line of argument, however, overlooks some important facts. It is quite a mistake to suppose that British people have bought German goods to please the Germans. They have bought to please themselves. They will be less desirous of doing so hereafter. No legislation will be necessary to create a dislike for German products. The brutal manner in which Germany began and has carried on the war has made an impression on the British mind which will not soon pass away. Nothing will be bought from Germany for a long time to come that can be obtained on anything like fair terms at home or from friendly neutral countries. But trade has two sides. It involves selling as well as buying. British people may have things to sell which Germany will want; and they may wish to buy things which Germany can supply advantageously; and out of these mutual interests there may grow again a considerable volume of trade even where the war has left on both sides the most bitter recollections. It will be well to reserve judgment upon such a renewal of trade relations until a later day.

An article recently published in an English journal advocates, as the tariff policy of the future, a preference to the products of all parts of the Empire, with moderate duties on the products of neutral countries and duties that will practically be prohibitive against the products of the countries that are our enemies. Such measures would follow to a considerable extent the lines of the fiscal policy adopted

by Canada in 1907, which in principle, though not in all details, has continued until the present time. Canada has in reality four tariffs. First, there is the British Preferential Tariff, applicable to the products of Great Britain and most of the British possessions. Secondly, there is the Intermediate Tariff, designed to be a basis for negotiations with countries desirous of having reciprocal friendly commercial relations with us. Thirdly, there is the General Tariff, applicable to the products of countries having no such arrangements with Canada. Then, fourthly, there is the provision in the Customs Act for imposing a surtax as a measure of retaliation upon any country which unfairly discriminates against Canada, a provision which was used most effectively for some years as a reply to Germany's hostile treatment of Canadian trade.

The adoption by the different parts of the Empire of a policy of this character might find favor in Canada, though what would be reasonable rates of duty under such a plan would naturally be a matter of debate. But it is not so easy to make such a policy commend itself to the people of the Mother Country. The fiscal question has been one of keen controversy in Great Britain for many years. The movement for Tariff Reform, as it was called, initiated by Mr. Joseph Chamberlain and adopted by the British Conservative party, made progress for a little while. But the more it was discussed the more it became objectionable to the British people. After repeated failures to win public approval for it, and finding that it was opposed by many influential members of the party, the Conservative leaders virtually dropped it. Some of the special advocates of the change, thinking that the conditions created by the war afford an opportunity to revive the movement, are busy in presenting it as a policy that will become necessary at the close of the war. Efforts have been made to have Great Britain declare for such a policy at the Economic Conference of the Allies now being held at Paris. It should, however, be obvious that a present agreement respecting a fiscal policy that has been the subject of such warm dispute in the past is not to be expected, and that any serious effort to force a declaration concerning it as this time would disrupt the British Coalition Government.

During the war all theories and policies that are found to interfere in any way with free and effective action by the British Government in the prosecution of the conflict are very properly set aside, in order that there may be unity of purpose and action in support of the great cause. But what shall be the commercial policy in the years to come after the war is another matter, upon which it is evident there will be in the United Kingdom much difference of opinion, as there has been

DEPT. AGRICULTURE  
RECEIVED  
JUN 23 1916  
MONTREAL

in the past. The attempt to force the hands of the British Government at this stage upon a question of such controversial character was not wise and not patriotic. Mr. Asquith and his colleagues, Liberal and Conservative, have dealt with it upon the only lines possible at this time. They have made it clear that Great Britain participates in the Conference upon the understanding that the meeting is one for inquiry and study, and that no action is to be taken that will in any way bind the British Empire.

The correspondence on the subject that has passed between the Imperial Government and the Governments of the Overseas Dominions has not been made public, but we may rest assured that it is upon this understanding that representatives of the Dominions have been invited to be present. Such a meeting may be of much value in bringing about satisfactory action hereafter. At all events the ground properly taken by the British Government prevents any departure from the Imperial unity which at this time is so important. If there must still be wide differences on these fiscal questions, let them be postponed until after the war, when they can be better dealt with in the light that will then be available.

### Rural Credits

ON referring recently to the subject of rural credits, we credited the British Columbia Government with leadership in legislative action, provision having been made in that Province for the loaning of money to farmers by the Government. The Halifax Chronicle claims that in this as in some other things the Province of Nova Scotia is entitled to the honor of leadership. There is on the Nova Scotia statute book, a Farm Settlement Act, passed in 1912, whereby, says our contemporary,

"through the guaranteeing of a part of the mortgage to a loan company, the farmers of Nova Scotia may obtain cheaper money and a larger proportion by way of loan on the security of the property than under ordinary circumstances they would be able to do. The total loans thus granted amount to \$110,000, and have been given to natives of the Province and to newcomers in about equal proportion. The interest rate has varied from 6 per cent, in the cases of those to whom the money was loaned, at first, to 7 per cent, at the present time. In this matter Premier Murray has distinctly the leadership among the Provinces in establishing a rural credit system for farmers."

### The Bench and the Candidate

THE nomination of Justice Hughes and his acceptance of the position as the Republican candidate for the Presidency of the United States have brought to the front a question as to the relation of the Judicial Bench to party politics that seems likely to play a considerable part in the coming election. His Democratic opponents evidently intend to treat his acceptance of the nomination as a breach of what they claim should be the rule against the members of the highest court in the United States having any relation whatever to party politics. For a year or more Justice Hughes' name had been before the country as a possible candidate, but not at his

request or with his authority. Indeed, whenever it became known to him that he was being put forward as a candidate at any of the "primaries" of the Republicans he took immediate steps to forbid such use of his name. Nobody alleges that he or anybody with his authority made any effort to secure the nomination. Nevertheless his name continued to be mentioned and many people predicted that he would be chosen by the Convention to be held at Chicago. The situation readily lent itself to his selection, without any movement on his part. Mr. Elihu Root, probably the ablest among the available candidates and eminently fitted for the Presidency, was deemed objectionable because of his close relations as legal adviser with some of the large corporations which the people look upon with suspicion. Among the "favorite sons"—men of prominence in their respective states—there was not one who could be regarded as a strong national candidate. Mr. Roosevelt, of course, was quite willing to accept a nomination from the regular Republicans, but the very prospect that he might obtain it angered the old guard of the party, who held him responsible for the defeat of 1912, and made them determined to find a better candidate. Under such circumstances the mention of Justice Hughes' name met with great favor. As the day of the convention approached the fact became apparent that if he would consent he could have the nomination. The situation became alarming to the Democrats, who began to put forward strong protests against the presenting of his name. Just before the nomination was made at Chicago, the New York Times, independent Democrat, always a very moderate journal, in a leading article expressed strong disapproval of the Hughes movement. "However, desperate be the plight of the Republicans," said that journal, "they should not take their candidate from the bench of the Supreme Court. That court is the one institution under our Government that bears the stamp of finality." Once the tradition that candidates be not taken from the Supreme Bench is violated, the Times argues, "irreparable mischief will be done." Justices less restrained than Mr. Hughes will be found negotiating with political agents and arranging campaign plans.

Almost simultaneously with the publication of the Times' article a Democratic member of the House of Representatives made a speech in the House in which he insisted that the formal forbidding of the use of his name at the primaries was not enough; that Justice Hughes should make it distinctly clear that under no circumstances would he accept a nomination, or, if not prepared to give such assurance, should at once resign his seat on the bench.

The admirers of Justice Hughes apparently believed that, although he had never said or done anything to invite a nomination, if a call were made upon him under circumstances showing a general desire of the party to have his services, he would break his silence and accept the nomination. This view of the situation proved correct. Justice Hughes must have seen from the moment the Convention met that such a call would be made, and when it came it found him ready to respond to it.

In Canada in several instances Judges have been taken from the bench of the higher courts to become candidates in the political field, not, however, in any case from the bench of the Supreme Court of the Dominion. Sir Oliver Mowat in Ontario and Sir John Thompson in Nova Scotia were so taken from the higher Provincial courts. In both cases there was some criticism along the lines of the present

comment in the United States, but it cannot be said with truth that harm came from the selection of these men for the active duties of political life. The indications are that in the case of Mr. Hughes, the Democrats will regard his coming from the bench as one of the points to be urged against him in the campaign now opening. A report from the Democratic Convention at St. Louis represents that a proposal had been made to raise the question formally in the Democratic platform, but that President Wilson emphatically objected to such a course. Nevertheless, the matter is certain to be heard of often in the course of the battle.

### The Movies

THE rapid expansion of the moving picture business is one of the noteworthy things of the time. But a little while ago the leading actors and actresses of the day looked upon the picture theatres with something like scorn. Now there are few of the leading men and women of the stage who have not played before the film and thus made their names and their work known to many thousands of new admirers in all parts of the country. Moving picture theatres multiply in every large city. New theatres are being specially constructed for the pictures at large cost. The production of the films has become a great business in which large capital is invested.

The moving pictures may be made instruments for the instruction and elevation of the people, or the reverse. The Board of Censors for the Province of Quebec has done good work, for which it is deserving of high praise. Our picture houses are kept free from the most objectionable class of exhibitions. But there is one direction in which even greater vigilance is needed. Many of the so-called "comedy" pictures are vulgar, coarse and repulsive to all good taste. Their effect upon the minds of the thousands of young people who daily flock to the halls cannot fail to be debasing. There is no need to say anything about a worse class of pictures. Our censors will do their duty to protect the public against such evils. But there is danger in the vulgar pictures that are sometimes presented under the guise of comedy. Wholesome fun is desirable. It helps brighten the life of the great army of movie patrons. But it should be and is possible to have amusement furnished in an attractive form without the coarse and vulgar scenes that are sometimes furnished at our picture theatres.

### A Whisky Embargo

THE distillers of Ontario, who find their business embarrassed by the embargo laid by the British Government on imports of whisky, cannot be congratulated on the exercise of diplomacy in their efforts to obtain the removal of the embargo. An Ottawa dispatch to the Montreal Gazette says:

"Ottawa, June 15.—A protest by the Canadian distillery industry against the exclusion of Canadian spirits from the British market has been forwarded by the Government to the Imperial authorities. Canadian rye whisky and kindred spirits come under one of the later embargoes placed by the British Government against the importation of certain foodstuffs and other commodities, this action being taken for the purpose, as explained here, of conserving the already limited ocean tonnage



for other classes of shipment, more urgently required for the prosecution of the war.

"The protest of the Canadian distillers is based upon the claim that the embargo on spirits is being enforced primarily as a measure of protection for distilleries in the United Kingdom, rather than for the purpose of conserving tonnage. A number of Ontario distilleries have subscribed to this protest which, as already stated, has been forwarded to London. No reply has been received from the Imperial Government.

"The distillers are much concerned at having their export market in Great Britain closed, especially in view of the material diminution present and prospective, of their sales in Canada."

The embargo has been established by the British Government and they only can remove it. Is it likely that they will receive sympathetically an application which begins by suggesting that they are hypocrites, that while they are pretending to be influenced by a high policy respecting the conservation of vessels for the carriage of more necessary things, their real purpose is to protect the home distiller against competition? Men are not usually moved to favorable action by allegations of that kind. It is hardly probable that any such thought of protection to the British distilleries entered the minds of the British Ministers when they made their regulation. But if they should desire to protect their home industries, are we in Canada in a position to complain? There is a large measure of protection in our Canadian tariff, especially in the duties on spirits. Heavy duties are imposed by our laws to shut out British whisky. If Great Britain should wish to retaliate we could not very reasonably complain. Embargoes on trade between Great Britain and the Dominions are much to be regretted. It is only right that efforts should be made to prevent them. But the distillers' petition is not happily conceived for their purpose.

## The Mexican Situation

UNCLE Sam's most difficult problem at present is Mexico. The German question, which a few weeks ago seemed so threatening, is settled, for the moment at least. The question between Great Britain and the United States concerning interference with mails for Europe, upon which Mr. Secretary Lansing has addressed a somewhat sharp note to the British Foreign Office, may be productive of some rather frictional correspondence, but in the end it will be disposed of without anything more serious. The broad question of "preparedness" for military possibilities, which has been agitating the public, will be adjusted by compromises between the rival views. The party political conflicts will increase as the time approaches for the holding of the elections, but no bones should be broken in this warfare. The trouble that is most threatening and most certain to produce the gravest consequences is the condition of affairs in Mexico. President Wilson will have to admit that his well-meant policy of "watchful waiting" has entirely failed to lead to peace and order among his Mexican neighbors. The United States troops were compelled by the Mexican attacks on Columbus to cross the border in their effort to punish Villa and his band of raiders. Villa has not been caught. Carranza, although recognized by the United States Government as the President, or "First Chief," of Mexico, has proved unable to re-

store order. He seems to have but little more power than any other of the many men who have claimed leadership in the Republic. The bands of raiders have made so many attacks on the Americans along the boundary line that it has been deemed necessary to concentrate almost the whole American standing army, besides the Militia of several States, on the border. Carranza, admitting that he is unable to preserve order under present conditions, asks—perhaps demands is the right word—the withdrawal of the American troops from Mexican soil, claiming that their presence tends to excite the people and make his task more difficult than it otherwise would be. General Scott, representing the American forces, and General Obregon, Carranza's War Minister, who have been in conference at a border point, do not appear to have been able to reach any satisfactory conclusion.

To get out of Mexico while Villa remains unpunished would be to abandon the whole purpose of the American Government. To stay in seems to mean that a more aggressive policy must be adopted. And that may easily mean that war must be declared against Mexico, and the American nation must undertake the conquest of the country. How the Mexicans—or those who follow Carranza—view the situation is indicated by an article in *El Pueblo*, published in Mexico City, which is regarded as an organ of the Carranza Government:

"We are confronted by the most serious, the most grave, moment of our national life. We are facing the tremendous danger of war, which we have never desired, and never desired provoked, and which surely is not desired by the United States.

"The nation ought to know the truth and ought to consider that all the sacrifices, all the anguish, which our struggles to purify our political organization and reconquer the liberties of the people have cost, should not be rendered sterile by an absurd and unjust war.

"From the beginning the struggle to implant a constitutional form of government has been met with constant difficulties from Washington, which we have met with impartiality, good faith, and a legitimate defense of the general interests of the country. In the United States, refugee Mexicans, in union with capitalists, Catholics, and American adventurers, have plotted to undo the work of the revolution.

"The stupid aggression of Villa and his bandits is not an isolated factor, but is connected with the work of these divers elements along the frontier, who daily try to overthrow the Constitutionalist Government and disturb the tranquility of the United States.

"We have yet the right to believe that President Wilson, who knew how to face the great crisis of the European War, who has proclaimed and sustained his pacific theories, who has seen through the schemes of filibusters, and who has opened his arms to the Latin-American Republics in an appeal for Continental solidarity under the Monroe Doctrine, will not retrace his steps, will not tear up the foundations of his prestige, by unchaining a war which nothing can justify, and sacrifice a people already weakened and bled by their internal struggles.

"Against such a war are the collective interests of both countries, but if, unfortunately, we are dragged into such a war, President Wilson may rest assured that never again will the United States have the

confidence of a single Latin-American nation. And as for Mexico, while one Mexican stands, the ground which he covers will be his home, his religion, his honor."

The Carranza paper's reference to the alleged plotting of Catholics in the United States against the revolutionary movement calls attention to the religious side of the trouble. The Carranza Government is anti-Catholic.

The American view of the situation is thus stated by the *Houston, Texas, Chronicle*, a journal which supported the policy of recognizing Carranza:

"Greater by far than what we have suffered are the sufferings of the Mexicans themselves, and in this connection let it be remembered that the vast majority of Mexicans never have been interested in the complicated series of revolutions, and consequently have been victimized without their consent and without reason.

"We have proceeded on the theory that Mexico was disturbed by a popular uprising by means of which a downtrodden people would presently come into its own. We have proclaimed the obviously impossible assumption that 13,000,000 peons, ignorant, shiftless, indigent, and irresponsible though they were, could establish and maintain a democratic Government.

"We have ranged ourselves on the side of savagery against civilization, on the side of brutishness against intelligence, and have called it humanity. We have permitted the Mexicans to be murdered by the thousands, to be robbed, ravished, and tortured, and have called it respect for their sovereignty.

"The result is that not only have we failed to accomplish anything of material value, but, what is far more discouraging still, we have failed to accomplish anything of moral value.

"The Mexicans, as a general average, have less respect for us to-day than they had five years ago. Not only do they trespass on our rights with less compunction, but they receive our advice with less confidence.

"The circumstances of the situation make it impossible to disassociate our own interests from those of Mexico. Try as we may, we cannot help being affected by the social and economic conditions which prevail across the border.

"Further than this, the United States of America has no moral right to permit a people, living next door, to destroy itself. To call such a course due regard for national sovereignty is to deal in hypocrisy.

"There is no such a thing as sovereignty in Mexico to-day. There no longer exists a nation. Neither of these terms can be used with reference to the Mexican situation except to bolster up specious argument.

"On the south side of the Rio Grande there is naught but anarchy and demoralization. We can not escape our share of responsibility by asserting that we contributed nothing toward the disaster. It is not enough to refrain from doing things. Nations, like individuals, must expect to play a positive part in constructive progress, or else be reckoned unworth while.

"The United States of America could have done, and still can do, much to alleviate Mexico's afflictions. If it fails, the traditions of its founders and the preachment of its idealism are in vain. This Government faces the duty, not only to itself, but to Mexico, to the world, and to the future, of going over the border and re-establishing law and order as it, and it alone, can."



## The Interest Rate on the Next War Loan

*Although a Lower Rate than on Last Loan May be expected, the Yield must be Higher than on Current Loans in order to Insure Success of Large Issue.*

By H. M. P. ECKARDT.

In the week ending June 17th quotations for our domestic War Loan rose to 99½—the demand for the bonds continuing strong and insistent. According to the leading dailies there is a considerable demand from the United States, and individual and institutional investors in this country are buying steadily. Apparently a goodly amount of the bonds are now held in the sinking funds of Canadian municipalities. Several large cities were among the original subscribers. Thus the list published by the Monetary Times on December 3rd contained 18 subscriptions by Canadian cities for amounts aggregating \$3,300,000, much of which would be for sinking fund purposes. Since the loan was floated there have been purchases in the open market—for example a news item of the other day stated that the City of Saskatoon was purchasing War Loan bonds to the amount of \$150,000. From the point of view of municipal sinking fund trustees these ten-year Dominion bonds yielding 5 per cent or more constitute an attractive investment, particularly if the sinking fund had been carried in the form of a bank deposit bearing 3, 3½, or in special cases 4 per cent interest.

### Canadian Issues in United States.

While the market in Canada for Dominion bonds has been growing broader, it is a matter for satisfaction that a great broad market is being created in the United States. The American insurance companies doing business in Canada, or some of them, before the war held a certain amount of Dominion Government bonds, but as the United Kingdom stood ready to take at low rates of interest all the bonds that our Government wished to issue, the American market was not cultivated until as a result of the war, London was compelled to cease lending on a large scale to the Dominions, except for war purposes. Now, not only the representative insurance companies of the United States, but also many of the commercial and savings banks are holders of Dominion bonds, to say nothing of the hundreds of individual investors who have bought them for the first time. Apparently these investors rate the bonds very highly indeed. They give an income considerably higher than that yielded by the bonds of state governments or leading cities in their own

country; and so far as safety or security is concerned, the obligations of the Dominion Government are rated quite as high.

### The Return of British Investment.

After the war is over Canada will likely reap considerable benefit from the fact of having created the alternative markets on this side of the Atlantic. It may be several years before the market rate for Government bonds in London gets down again to the level obtaining prior to the war. London is likely to be called upon to make very heavy loans to France and Russia, and perhaps Italy, in connection with the funding of their floating debts and other forms of post-bellum financing. So it may suit all parties concerned if Canada borrows at home or in the States for a time. When the European securities markets again approach normal conditions, it seems quite within the possibilities that London will be ready again to take Dominion bonds at 4 per cent, or 3¾, or even 3½ per cent.; and if such proves to be the case the quotations for the 5 per cent bonds due in 1925 will assuredly rise well above the present level. We may then see London and New York active and keep in competition whenever our Finance Minister has a good sized bond issue to place.

However, while the indications are that prices of the domestic war bonds will in the course of time score an important advance, the quotations during the immediate future will be governed to a certain extent by the terms and conditions under which the forthcoming domestic loan is placed. For example, if the new issue were offered to subscribers at a price to yield about 5½ per cent, the tendency would be to drive down the prices of the old bonds to the neighborhood of a 5½ per cent interest return—that is to say they might go back to 97 or lower. Holders of the old bonds yielding only 5 per cent would sell them in order to put the money into the new bonds yielding the higher rate, and through the natural working of the market the two issues would quickly find a common level, allowing, of course, for any differences in terms or maturity.

### The Probable Yield.

The action of the market in the recent past shows

that the parties who are buying the bonds above 99 have confidence or a belief that when the new loan is announced it will be at a lower interest rate than in the case of the last offering. In fact, the market transactions rather point to a rate of 5 per cent or 5½ on the prospective new war loan. Within the last month, bonds of the Provincial Governments of Ontario and Nova Scotia, and of the cities of Montreal and Toronto, have been offered to investors at less than 5 per cent. Notwithstanding this circumstance, there are some points in connection with these issues which make it appear that a domestic war loan of the Dominion Government for a large amount would require to bear a slightly higher rate. In the first place the amounts respectively asked for by these provincial and municipal borrowers are very small in comparison with the amount that the Dominion Government would require. The Finance Minister is expected to ask for anywhere from \$50,000,000 to \$100,000,000—in other words for ten or twenty times as much as any one of the other parties mentioned asked for; and to place the relatively larger amount without danger of a failure or shortage, special efforts would be required. The special efforts would probably take the form of offering a slightly higher rate of interest. There is no doubt that the banks, insurance companies and other institutional buyers would be quite ready to subscribe fairly large amounts at an interest yield of 5 per cent, or a fraction less, but if it is desired to further extend the market in Canada for the bonds among individual investors, it may be deemed advisable to fix the rate of interest at a shade above the round 5 per cent.

It is not desirable to have too great a concentration of the bonds in the hands of the commercial banks; as their extraordinary holdings of the one security might be so large as to interfere to a certain extent with their function of discounting and lending for commercial and industrial purposes. Therefore it will be an advantage, from the economic point of view, to have the new issue widely scattered among individuals in all parts of the Dominion. The last loan is said to have drawn subscriptions from about 25,000 parties. Many of these would of course repeat their subscriptions in case of the new loan; and if the rate of interest is made attractive, there will be thousands of new subscribers. If by means of two or three large domestic loans, the Government creates a constituency of 40,000 or 50,000 home investors accustomed to holding Dominion Government bonds, it strengthens its position, and any time in the future when money is needed, and circumstances do not favor borrowing abroad, recourse can be had to the home constituency.

## Our London Letter

*The British People are Learning to Know Canada, and Canada should take Advantage of the Occasion*

By W. E. DOWDING, London, Eng.

In more ways than one can count the people of this country and especially of London itself are coming to a fuller realization of what the British Empire is, and does, and can do, than they have ever enjoyed before. For eleven years before the war every political speech and nearly every discussion among serious men was wholly or partly concerned with trade and tariff. The resources and development of the Colonies were a favorite subject of the disputants, but I believe it is only recently that the general population of the country can be said to have learned that the British Dominions Oversea produce other things than food, and have uses beyond that of receiving the surplus population of the older countries.

You recently published an enthralling supplement describing the mineral potentialities of Canada as far as they are known. The war has not only given an impetus to your productiveness; it has taught the British people that Canada plays its part in the war with other things than men. I wish that supplement could be put into the hands of every school-boy and school-girl in this country. When the war broke out there was drawing to a conclusion a great educational effort of this kind, but unfortunately the war ordered a marking of time so far as education is concerned in the schools. Nothing can stop the march of education, however, in other ways, and today I believe that school children in the remotest parts of Great Britain more thoroughly understand

and comprehend the British Colonies than at any time in our long island (and perhaps too isolated) history. Doubtless this liveliness of comprehension has not passed unnoticed by those who watch these things in your behalf, and I sincerely hope that somebody is making plans to take full advantage of it as soon as the days of peace smile on us again.

### A Wider Knowledge and Wider Sympathy.

The change has come about, as I have said, in a multitude of ways. A wider knowledge has come with a wider sympathy. This week everybody here has been officially reminded once more of the great part the Oversea Dominions are taking in those iron-drenched trenches in France. From the very first day of war when the historic cablegram from Ottawa thrilled every heart here we have been quicker to notice everything that you have done. We have been grateful to think it has been done for us. The psychological sensitiveness of the reputedly stolid Englishman has been awakened, and every mention of Canada, of its munition factories, of its mineral wealth, of its fruitful prairies, of its vast unsurveyed spaces, as well as of its men now fighting, has sunk deep into the national memory. Educationalists know that in such a state of sensitiveness learning becomes easy, and that is why I declare that at this moment we know as a nation as much more about Canada as we regard it the more highly. And again I say that now is the time to strike, if it be found possible to devise any means

by which the greatness and the limitless natural wealth of Canada may be pictured more vividly to British minds.

We are, for example, at this moment, in spite of the preoccupation of war, considering very seriously the mis-uses to which so simple a thing as the cinema is being put. It has become clear at last to the responsible official mind that many of the films which attract and entertain millions of our people every day are worse than worthless, that they encourage vice and that they produce a sort of criminal pretentiousness among children that is surely working harm. A check of some kind is demanded; but if hurtful films are struck out others must take their places. Why should not Canada, with its tense activity and its clean, broad life, be as faithfully portrayed to the pleasure-seekers of our towns as the mock-adventureousness of the cowboys and the Red Indians, and the picturesque pistol-in-hand criminalities of the United States. When I go to the cinema show I laugh with the rest at the exaggerated antics of crude American humorists. I like to see them fall from impossible heights without getting hurt, and rescue themselves from the depths of city sewers, or jump through the walls of houses and smash the crockery; but I have never yet been able to understand why, except from purely commercial reasons, we see on the film so little of Canada and so much of her tremendously active neighbor. The cinema industry must be founded on a commercial basis. That we admit. But is there any real reason why now and then we should not get pictures of your fair country as well? There is an opportunity here that some of your people, quick to see that foundations should be laid for the future, ought to exploit. It is a small thing, and only one of many that could be suggested, but for the moment it looks as though it points to an opening that ought not to be missed.



# The Great Lock-Out in New York

**Hot-Headed Individuals Striving Against the "Protocol," Have Gained Control, and, for the Time Being, the Old Regime Exists. Public Opinion, according to the Author, Demands the Return of Industrial Peace.**

By W. W. SWANSON.

A few weeks ago the cloak manufacturers of New York decided to lock out sixty thousand of their employees and thereby deprive thousands of poor families of their livelihood. Peace has its victims no less than war, and hunger can inflict as much suffering as shot and shell. This great industrial struggle would not, perhaps, give more room for thought and consideration than hundreds of others that have disgraced civilized society these last hundred years were it not for the fact that it has caused a violation of the principles of justice and fair play in a peculiarly flagrant manner. For between manufacturers and work people there existed a Protocol—an instrument especially devised to protect the peace in this corner of the industrial world. The Protocol had been formulated only after years of thought and hard work, and its fruits now appear to have withered overnight. The deliberate and tyrannical action of the manufacturers has demolished a stately edifice that has taken a generation to build, and the excuses offered for this piece of vandalism only serve to make matters worse.

The manufacturers, in a word, seeks to justify the labor war they have provoked by impugning the good faith of the men and women employed in the industry. They charge the union with having been tyrannical and interfering, and with having refused to discipline certain workers who went on strike in several isolated cases. They repeat the out-worn shibboleths of the right of the "boss" to manage his own business without let or hindrance; and declare that they are determined to be masters in their own shops. This, be it noted in passing, is but a recrudescence of the class feeling that obtained during the days when the clothing industry was known as a "sweated" employment, and manufacturing "lofts" as fire-traps. The workers maintained their right to remedy this situation, and their contention was backed by the public. The manufacturers as well as the workers gained by the destruction of this mediaevalism in the clothing business. They might have instituted these reforms themselves, but the fact is that they did not, but were compelled to make them by legislation and the pressure of public opinion. While it may be admitted that the masters would not return to the old regime, even if they could, it yet remains true that they have not, and cannot, make out a case in behalf of unrestricted management of their own affairs without any interference on the part of labor. If one thing more than another has been made clear in the modern industrial world it is that industries are made possible only by co-operation of labor and capital, and that both of these have rights and obligations in the industrial partnership.

While the manufacturers allege that, in addition to the tyranny of the union, the employees were about to precipitate industrial war by going on strike, and that they themselves merely anticipated such action by declaring a lockout, the fact remains that they were tired of the Protocol and wished a return of the old regime of individualism, of every man for himself, of individual wage contracts, and unsupervised working conditions. In other words they were sick of ordered freedom, and wished a return to industrial anarchy. This is the root of the matter, and has been amply proved without the aid of the loud and indignant vociferations of the employees and their spokesmen.

## Conditions Before the Protocol.

To understand the present situation in New York—a situation so well worth studying from the Canadian point of view in view of the general inapplicability of the Lemieux Act to private industry—it is necessary to review briefly the condition of the garment industry in that city before the establishment of the Protocol. The cloak industry was, and is, a highly individualistic one. Little or nothing was to be gained by conducting it on a grand scale—it was not, as the economists say, an industry of "increasing returns." Any shrewd adventurer with a few hundred dollars of capital could rent a "loft," hire a few machines, engage a number of green or poorly-paid operatives, and commence business. The

race was to the swift and the battle to the strong.

The business was rendered more intensely competitive and individualistic because it was largely in the hands of Jews. No people has a more elastic standard of living; no race will work so hard or for such long exhausting hours, to succeed in life. The trade is one that appeals to their restless and relentless energy, and high-strung nerves. It requires, as has been said, little capital, and much individual capacity, push and enterprise. The worker may, by care and by the full use of the Jewish saving instinct, readily become an entrepreneur on his own account. This fact has produced a curious state of affairs both in the Association of Manufacturers and among the employees as well. It has made for the most intense competition among employers, and has blunted the feeling of class-conscious solidarity among many of the workers, who look forward to becoming, some day, manufacturers themselves. This selfish and individualistic outlook on life makes itself felt at every conference held between masters and men, for the settling of trade disputes. The representatives of labor are peculiarly independent and self-assertive, and are quite unabashed in the presence of capitalists, large or small, for they rub elbows with bosses who were, but yesterday, journeymen also. It is very difficult, indeed, to bring together for united action either masters or men; for the former are suspicious of one another as relentless business rivals, and the latter have ambitions for the future that are not exactly consonant with the interests of labor.

The inevitable result was anarchy in the cloak business before the adoption of the Protocol in 1910. The aggressive interlopers who entered the industry each year set the pace for even the largest concerns. They had to get results to survive—and they got them. They lived as humbly as Chinese laundrymen, worked incredibly long hours, farmed out their children and their wives to themselves, exploited inexperienced labor, paid low wages and low rents and cut into the business of the larger and old-established firms in every possible direction. They set the pace and gave the tone to the whole trade. The result was that the cloak business was conducted on a cut-throat competitive basis, and manufacturers as well as men suffered. In fact, the condition of the New York clothing trade was in much the same state as box-making, lace-making and chain-making in England prior to the establishment, by Premier Asquith, of minimum wage boards in 1909.

## The Protocol, Resorted to in 1910.

A unique instrument—the Protocol—was resorted to in New York, and its subsequent work has been followed with the deepest interest by students of social reform not only in America but in the leading countries of Europe. It was designed to eliminate anarchy from the clothing trades, to put an end to individualistic action with its concomitants of greed, waste and sweated slavery, and to organize a mediatory body that would harmonize the conflicting claims of capital and labor. It established a board to which all disputes between master and men could be referred; a consultative body representing the claims of capital and labor; and one, moreover, that should have the right to establish right conditions of work and the hours and wages of labor. The adoption of the Protocol meant, therefore, fair wages and humane conditions of labor for the men, and the elimination of remorseless and wasteful competition for the manufacturers. It did not exclude from the industry those who had a legitimate right to be there, and it certainly did not prevent ambitions journeymen from becoming masters. It merely laid down the rules of the game, and insisted that all who might participate therein should, for the mutual benefit of all, live up to them. And last, but not least, it set up machinery for abolishing the wasteful and cruel method of settling wages disputes through the general strike. This achievement in itself was all the more remarkable when it is recalled that it was brought about by spontaneous action on the part of those concerned, without recourse to the power of the State.

In the nature of things this great adventure in

social-welfare work, conceived and executed through private initiative, has not met with unqualified success. It would have been a marvel if it had. But, although for the moment the machinery has been put out of gear, it has achieved great things. For six years it has maintained and enforced order in the most anarchic of industries. It has given the fair employer a chance to conduct his business with profit, and in a fair manner; it has thrown the sweated shop on the scrap-heap with the fire-trap loft; and it has raised the standard of living of sixty thousand employees and more than ten thousand families. These, in themselves, have been great achievements. But it has done more. For the six long years, also, that the Protocol was in force it abolished the general strike, and saved hundreds of thousands of dollars to both employers and employees.

Unfortunately, for the time being at least, the individualists have seized control of the Association of Manufacturers, and the broad-minded, far-seeing leaders, who helped to draw up the Protocol in 1910, have been ousted. This was made possible, in part, by the action in inveterate hot-headed individualists who still lingered in the ranks of the workers, and were able by inflammatory speeches, to precipitate, in some isolated cases, strike by the work people who had local grievances. On the whole, however, the union stands for conciliation and arbitration. The mass of the employees are convinced that the general strike is a relic of the days of barbarism. They realize that only through the mediation of a truly representative body can the conflicting interests of labor and capital be reconciled. And they are determined that the Protocol, which has meant so much for them, their wives and their children, shall not be destroyed.

Even should the Manufacturers' Association, through the power of money, win the present battle they will reap the fruits of only a barren victory. For public opinion has already found against them. A committee formed of professors of the social sciences, from Columbia University, headed by Edwin Seligmann has condemned them. Such men demand to be heard, and will be heard. It is earnestly to be hoped that the manufacturers will see reason, and that this remarkable achievement in industrial peace will not come to naught. The workers of the world need it, and will preserve it.

## CANADA'S OPPORTUNITY

"Prepare for the new trade conditions which will arise after the war," was the keynote of much of the discussion that marked the Convention of the Canadian Manufacturers' Association held in Hamilton, Ont., last week. In the opinion of the Association Canada will have a tremendous advantage from the trade entente between the Allies which is sure to follow the war, and an immense avenue for Canadian manufactured products should be opened up in the displacement and readjustment of the two and a half billion dollar trade between the Central Powers and the allied countries in 1913.

A resolution was passed to the effect that: "The Executive Committee of the Canadian Manufacturers' Association places itself on record as being of the opinion that, in order to maintain and increase trade after the war there should be consummated with as little delay as possible:

- (1) A series of preferential tariffs between all parts of the British Empire that will give the greatest practical encouragement to inter-Imperial trading.
- (2) A series of reciprocal tariffs between all nations that are allied against the Central powers in the present struggle, by means of which the trade of the countries concerned will be conserved as far as practicable for their mutual enjoyment.
- (3) An agreement among all the allies to give favorable tariff treatment to neutral countries.
- (4) An agreement among all the allies to subject the products of the Central Empires to such surtaxes and other disabilities as will effectually restrict their competition in the markets of the allies.

The Government elevators at Port Arthur, Moose Jaw, Saskatoon and Calgary are equipped with up-to-date cleaning machinery and facilities for grinding and bagging by-products of grain elevators. The grain dockage is recleaned to remove the weed seeds, chaff and dust, and then ground to destroy the vitality of all seeds. The results of feeding experiments conducted at Ottawa Experimental Farm have shown this mixed grain meal to be a cheap and valuable feed for live stock. It is now available to Canadian feeders and feed dealers in car lots at moderate prices. Prospective purchasers should apply direct to the General Manager, Government Elevators, Fort William.



# AMONG THE COMPANIES

## BEAVER CONSOLIDATED MINES.

The quarterly letter to the shareholders of the Beaver Consolidated Mines, Limited, reviewing operations for the quarter ending May 31, states that the main shaft is down 1,630 feet. The lower contact between the Diabase and Keewatin formations was encountered at a depth of about 1,570 feet. We are cutting the station at the 1,600-foot level, from which point lateral development will be commenced. Our intention is to drive a crosscut both east and west of the shaft, which, by reason of the dip of the Diabase intrusion, we anticipate will enable us to explore the ground both above and below the contact. Work on the upper levels of the property, a large portion of which is still unexplored, is progressing favorably, and on the 530-foot level we recently encountered a chute of high-grade ore about four inches in width, which has been proven for a distance of twenty feet. Three cars of concentrates and one of high-grade have been shipped this quarter. The statement follows: May 31, 1916:

Bullion in Storage . . . . .	186,433.19	ozs.
Ore at Smelters . . . . .	39,350.03	"
Ore bagged at Mine . . . . .	68,700.00	"

Total . . . . .	294,483.22	ozs.
Cash on hand . . . . .	\$ 92,483.68	

A dividend of 3 per cent was paid on April 29, distributing \$60,000 among the shareholders.

## CANADIAN COTTONS' DIVIDEND.

An initial dividend of 1 per cent on the common stock was declared by the directors of Canadian Cottons, Limited, at their meeting in Montreal last week, payable July 4 to stock of record June 23. This action was forecasted at the annual meeting of shareholders held a few weeks ago, when the statement offered disclosed a very satisfactory condition. After allowing deductions, bond interest, preferred stock dividends and the sum of \$10,000 as a reserve for bad debts, the company carried forward to surplus account an amount equal to 10.2 per cent on the common stock, as compared with 4.9 per cent the preceding year, 6.2 per cent in 1914, and 8.3 per cent in 1913.

## CANADIAN CONVERTERS' CO., LIMITED.

The Board of Directors of Canadian Converters' Co., Limited, stated at the annual meeting of shareholders held in Montreal last week that the question of resumption of dividends had not been considered as yet. It was stated this attitude was the result of the desire to place the company on an investment basis. Trading profits on last year's business showed an improvement, the profits amounting to \$140,223. After paying bond interest and making provision for reserve and depreciation and bad debts the balance at the credit of profit and loss account stands at \$175,128. The outgoing board of directors was re-elected as follows: President, James R. Gordon; vice-president, James N. Laing; John Baillie, Thomas J. Rodger, J. M. Mackie, J. Nelson Brooks, and J. H. Roy.

## ATLANTIC SUGAR REFINERIES.

No financial statement was issued at the annual meeting of the shareholders of the Atlantic Sugar Refineries held in Montreal on Friday. Three new directors were added to the Board, viz.: Murray E. Williams, of Montreal, and Mr. Clark S. Jennison, and F. S. Armstrong, both of New York, were elected to fill the vacancies caused by the retirement of Mr. F. H. Anson, of Montreal, and Alex. Smith and Augustus Peabody, both of Chicago.

In addition to the three new directors, the board comprises: D. Lorne McGibbon, president; Sir Mr. L. R. Wilson is general manager and treasurer K.C.; Victor E. Mitchell, S. H. Ewing, and S. J. LeHuray, all of Montreal, and Wm. Mulock, jr, and Hon. Wallace Nesbit, K.C., of Toronto, directors. Thomas Tait, vice-president; Hon. C. P. Beaubien, of the company.



J. H. SHERARD,

Retiring President of the Canadian Manufacturers' Association, who among other things, strongly recommended more efficient recruiting methods in Canada at the recent convention of the Association.

## BRICK CO'S AMALGAMATE.

The biggest brick manufacturing company in Canada has been established with a capital of \$1,500,000 by the amalgamation of the Medina Shale Co. of Streetsville, the Toronto Pressed Brick Co. of Milton, and the Milton Pressed Brick Co. of Milton. The later company has absorbed the two former ones.

The head office of the company will be at Milton, and the president and managing director will be Mr. J. S. McCammell, and the vice-president will be Mr. F. R. McCammell, both of the Milton Pressed Brick Co. Other directors are: J. P. Stillwaugh, of the Medina Shale Co.; W. D. Lummis, of the Toronto Pressed Brick Co., and John McBain, of the Milton Pressed Brick Co. Mr. Stillwaugh will be in charge of the Streetsville plant, C. J. Lewis of the Toronto plant, and John McBain in charge of the Toronto business for the entire concern.

## GOODWIN'S, LIMITED.

The annual meeting of Goodwin's, Limited, held in Montreal last week, attended only to routine business. The question was again raised asking the board to agree not to make a private sale without giving the shareholders an opportunity to subscribe on equal terms, but the president, J. W. McConnell, while admitting the reasonableness of the request, thought it inadvisable that the board should be tied to any fixed line of action. The directors had shown their attitude by subscribing for about \$125,000 of the new issue of preferred at 80 and would be naturally anxious to get the best results on the portion remaining unsubscribed.

It was finally decided to leave the matter to the discretion of the board to act in the best interests of the company.

Of the recent offering of 5,000 shares of the preferred at 80, it was stated that about 90 per cent had been subscribed, most of it by the directors. The common stock offered at the same time remained unsold.

The directors were re-elected as follows: J. W. McConnell, president; W. H. Goodwin, vice-president and managing director; Lorne C. Webster, vice-president; directors: James Wood, Dr. Milton Hersey, John W. Ross, Clarence F. Smith, R. N. Smyth, C. W. MacLean, G. S. Mayes. C. H. McLean was reappointed secretary-treasurer.

## IMPERIAL TOBACCO COMPANY.

An interim dividend of 1½ per cent on the common shares has been declared by the Imperial Tobacco Co. This is the first dividend announced so far in 1916, five per cent having been paid in 1915, seven per cent in 1914, and six per cent in 1913. Reduced earnings are responsible for the decline.

## PARAGRAPHS.

Between \$90,000,000 and \$100,000,000 has already been spent in connection with the Gary plant of the United States Steel Corporation. Between \$25,000,000 and \$35,000,000 have been appropriated, but not yet spent. It is expected that within the next two years the Gary plant will represent an outlay of close to \$140,000,000.

The annual report of the Calgary and Edmonton Land Co., the bulk of whose capital stock is held in England, for 1915 shows a loss on the year's operations of £2,581, against a loss in 1914 of £2,148. It is stated that the showing is the result of the effect of the war in Europe and of the increased taxes, which now amount to £6,023, against £4,554 in 1914. The company sold 4,934 acres for £49,713 last year.

Gross revenue of the Sherbrooke Railway and Power Co., for the first ten months of the year amounted to \$112,598, an increase of \$12,000. Operating expenses for the same period were \$2,600 higher, leaving net earnings of \$54,854. The increase in net is equal to \$9,442 compared with the same period last year.

Directors of the Toronto Paper Manufacturing Company, Ltd., have declared a dividend of 2 per cent for the half year ending June 30, payable July 3 to stock of record June 17. The last sale of the stock was at 47, two months ago, and the range for the year to date has been 42 to 47. Last year's range was 35 to 45, and in 1914, 30 to 31, compared with 58 to 102 in 1913.

Consolidated Mining and Smelting Company has made a change in the method of reporting the weekly receipts at its Trail, B.C., smelter, so that the last week of the month will cover the full period from the 21st to the month end, instead of running with the calendar as heretofore. This makes possible a compilation of figures by months. It is plain that the company is making new high records from month to month now, the May receipts having been 43,031 tons against 41,771 in April. The figures for the last ten days of May, 13,373 tons, were the second largest in history, having been exceeded only by the final period of March.

The huge new automobile merger, which was being put together by John N. Willys, president of the Willys-Overland Company, L. G. Kaufman, president of the Chatham and Phoenix National Bank, and W. C. Durant, head of the General Motors Company and the Chevrolet Motor Company, has fallen through and the various concerns involved will continue to operate independently.

Stock of the International Exploration Company was introduced on the New York Curb last week, trade beginning at \$1.50. This is a Canadian corporation, with a capital of \$2,000,000, par \$1, of which about \$1,500,000 is in the treasury. The company is organized to explore for oil in the Province of Alberta where it has under lease extensive holdings of oil territory; the company also has options on oil lands in Wyoming and Eastern Canada.

Shareholders of People's Silver Mines, Limited, have approved of the proposal of the directors, to issue bonds of an amount of \$30,000, and to actively resume development work at the company's property in the South Coleman district. G. W. Bithell is president of the company, and James Robinson, vice-president. The other directors are O. Holmes, J. N. Drummond, A. Hannaford, A. Seeds and A. Skinner. B. Neely is the engineer and mine manager.

## COBALT ORE SHIPMENTS.

Ore figures for the week ending June 9 last were: Penn. Canadian, 85,387; Aladdin Cobalt, 53,550; Dominion Reduction, 88,000; Peterson Lake, 76,822; La Rose, 87,000; Mining Corporation of Canada, 107,525; McKinley-Darragh, 85,099; Coniagas M., 136,570; Casey Cobalt, 126,611. Bullion shipment for the week ending June 9th were: Mining Corporation, 28 bars, 36,318.01 ounces, and \$25,103.48 in value.



# AMONG THE COMPANIES

## CANADIAN MANUFACTURERS' ASSOCIATION.

The annual meeting of the Canadian Manufacturers' Association was held in Hamilton last week. Many questions were brought before the members of very direct importance at the present time. The following resolutions were among those passed by the Association: "That the association would approve any scheme for complete and effectual mobilization of the entire resources in Canada of man and material which should be placed unreservedly at the disposal of the country; that the Government be memorialized to bring in legislation providing for daylight saving with the least possible delay; that the Federal Government be requested to remove the excise duty on alcohol under suitable regulations and restrictions when employed in manufacturing processes in which it would be lost, when used in hospitals, when used in laboratories and when used for the preservation of specimens; favoring preferential tariffs for closer economic union between the Allies; the development of inter-Imperial trade, and placing the products of enemy countries under such fiscal and other disabilities as will effectually restrict their sales in these markets." It was also advocated that the Government liberally encourage by subventions or otherwise the establishment of a ship-building industry in Canada on a permanent and profitable basis, and that a special committee be named to press for action and work out details. The association also recorded its belief that scientific and industrial research should be developed on a scale commensurate with Canada's resources.

Hon. Col. Thomas Cantley, president of the Nova Scotia Steel & Coal Company was the unanimous choice of the Convention for the coming year, while S. R. Parsons, of the British American Oil Co., Toronto, was chosen First Vice-President; W. J. Bulman, of Bulman Bros., Winnipeg, Second Vice-President, and George Booth, of Booth, Coulter, Cooper and Brass, Toronto, Treasurer.

The Executive Council was appointed as follows: W. K. McNaught, J. F. Ellis, P. W. Ellis, W. K. George, R. S. Gourlay, all of Toronto; C. A. Birge, Hamilton; C. C. Ballantyne, Montreal; H. Cockshutt, Brantford; Robert Hobson, Hamilton; John Hendry, Vancouver. Besides these gentlemen, there were elected members from each Province and principal manufacturing cities as follows: Nova Scotia—G. Henderson, Halifax; C. A. Lusby, Amherst, Prince Edward Island—Bruce Stewart, Charlottetown. New Brunswick—S. E. Elkin. St. John—Angus McLean, Bathurst Village. Montreal—G. F. Benson, W. A. Desbaretts, S. W. Ewing, Charles E. Frost, T. P. Howard, E. Liersch, G. H. Olney, S. J. B. Holland, W. Rutherford, G. W. Sadler, R. E. Jamieson, T. H. Wardleworth, Montreal. F. W. Stewart and D. J. Fraser, St. Johns, Quebec. Quebec city—J. Picard and E. T. Nesbitt, Quebec. Quebec Province—C. R. Whitehead, Three Rivers; F. J. Campbell, Windsor Mills; J. E. Alain, Victoriaville. Sherbrooke—E. W. Gilman, Montreal. Toronto—L. Anthes. G. Frank Beer, George Brigden, W. C. Coulter, R. D. Fairbairn, Thos. Findlay, John Firstbrook, R. S. Gourlay, Sam Harris, J. S. McKinnon, T. F. Monypenny, W. C. Phillips, T. A. Russell, W. B. Tindall, J. Westren. Hamilton—H. H. Champ, A. F. Hatch, H. J. Waddie, G. C. Copley, H. H. Biggert, Ontario—Henry Bertran, Dundas; D. M. Campbell Preston; Hon. E. J. Davis, Newmarket; G. D. Forbes, Hespeler; W. Gartshore, London; R. O. McCullough, Galt; R. S. McLaughlin, Oshawa; James Malcolm, Kincardine; T. F. Matthews. Peterborough; John Ransford, Clinton; Alex. Saunders, Goderich; T. J. Storey, Brockville; J. M. Taylor, Guelph; H. I. Thomas, Ottawa; J. B. Tudhope, Orillia; C. H. Watrous, Brantford; C. C. L. Wilson, Ingersoll. Prairie Provinces—W. S. Fallis, Winnipeg; W. A. Matheson, Winnipeg; F. W. Adams, Winnipeg; T. R. Deacon, Winnipeg; L. A. Race, Brandon; P. Burns, Calgary. British Columbia—Alex. McLaren, Buckingham, Quebec; A. C. Flumerfelt, Victoria, B.C.

The following table gives the gross and net earnings of the Porto Rico Railways Company, Limited, for the month of May, and comparative periods:

For May:	1915	1916.	Inc.	P.C.
Gross...	\$67,231.44	\$75,633.83	\$8,402.39	12.49
Net...	33,879.97	39,237.58	5,357.61	15.81
For Five Months:				
Gross...	\$322,920.12	\$360,524.14	\$37,604.02	11.54
Net...	153,738.62	186,929.21	33,190.59	21.59



HON. COL. THOMAS CANTLEY, President Nova Scotia Steel and Coal Company, who has been elected President of the Canadian Manufacturers' Association for the coming year.

## WESTERN CANADA LUMBER CO.

The Western Canada Lumber Company, in its annual report for 1915, shows that, after \$122,277 for depreciation on plant and machinery, and \$674,282 for depreciation on investments held (this comprising securities of the Columbia River Lumber and Columbia Western Lumber), there was a deficit of \$913,002, bringing the total amount at debit of profit and loss at the year-end to \$2,572,333.

A few months after war began the Canadian Western Lumber defaulted on its bond interest, and a reorganization was effected, the arrears of preferred dividends being cancelled, the preferred stock being converted into common, and a new debenture issue being made. Columbia River Lumber also defaulted at that time, and put into force a somewhat similar plan. The Canadian Western was formed in 1910, and acquired the stock of the Columbia later on. English capital is largely interested in the concerns.

## CANADIAN NORTHERN EARNINGS.

Gross earnings of the Canadian Northern Railway System for the week ending June 14, last, were \$880,400, compared with \$403,500, an increase of \$476,900. Gross earnings from July 1st to date were \$31,557,900 compared with \$23,587,000 for the corresponding period last year. An increase of \$7,970,900.

## CANADIAN PACIFIC RY. EARNINGS.

Approximate earnings of the Canadian Pacific Railway Company for the week ending June 14th last, amounted to \$2,629,000, compared with \$1,623,000 for the corresponding period last year. An increase of \$1,006,000 miles operated during the above period were 12,917.

## GRAND TRUNK EARNINGS.

Gross traffic earnings of the Grand Trunk Railway System for the week, June 8th to 14th, 1916, amounted to \$1,113,418 compared with \$949,313 for the corresponding period last year, an increase of \$164,105.

## MCINTYRE MERGER.

A joint meeting of the directors of the McIntyre group was held in Toronto on Thursday, when it was decided that an independent report of an engineer or engineers to be mutually agreed upon should be obtained with the object of arriving at a basis of valuation for the purpose of the proposed consolidation of the three properties. After the engineer's report has been received the directors of the three companies will meet again to give the matter further consideration.

## WESTERN CANADA POWER PLANS.

Under the reconstruction plan which has been agreed upon by the bondholders and noteholders of the Western Canada Power Company, a new issue of \$850,000 preferred stock will be created, and of that the shareholders will be expected to subscribe \$467,800 at 80, representing \$374,240 in cash. The balance of the cash required will apparently be furnished by the noteholders, for the entire issue of \$850,000 preferred stock has been underwritten by a New York syndicate formed through the Noteholders' Protective Committee.

A present holder of five ordinary share of the company who subscribes for at least two preferred shares at 80 will obtain, in the reconstruction of the company, the same number of ordinary shares as he now holds. Failure to subscribe, however, will mean that his former five shares will be automatically reduced to one share — if the reconstruction plan becomes operative. But if a sufficient number of preferred shares are not subscribed for by the shareholders, namely \$467,800 in par value, the directors announce that it will probably be necessary for the company to transfer its property to the representatives of the two classes of bondholders, or else to allow the trustees for the bondholders to foreclose their mortgage and sell the property.

Even in the case of foreclosure, however, the Noteholders' Protective Committee agrees to permit the subscriptions for preferred shares of present shareholders to be accepted in like manner as subscriptions for the preferred and ordinary shares of the capital stock of the new company, which they propose to organize, for the purpose of acquiring the properties and assets of this company.

If the reconstruction plan is carried out the second refunding bonds of the company will be cancelled, the current liabilities paid off and interest on the first mortgage bonds paid until January 1, 1918. The company will also have funds sufficient to complete the installation of a third generating unit and to carry on its business for two years.

Under the scheme of reconstruction, the capital of the company would be readjusted as follows:

	Present Capital.	Proposed Capital.
First mort. bonds...	\$5,000,000	\$5,000,000
Refund. bonds...	4,000,000	None
Debent. bonds...	None	500,000
Prof. shares...	None	850,000
Ordinary shares—		
Held by public...	2,495,000	5,000,000
Pledged to noteholders...	2,500,000	None
	\$14,000,000	\$11,350,000

Gross earnings of the company for the twelve months ended December 31st last, amounted to \$316,554, or about \$1,000 more than in the previous year. Operating expenses were about \$2,000 higher at \$89,627, leaving net profits of \$226,928 available for bond interest. Interest on the company's \$4,999,000 first mortgage bonds amounts to \$250,000 per annum, which left a deficit of \$23,072 for the year before taking into consideration the interest on the \$4,000,000 refunding 5 per cent bonds, and the interest payable on current account.

Current liabilities, comprising bank loans and account payable stood at \$578,744, against about \$500,000 in 1914; current assets of \$417,517 compared with \$437,230 in 1914.

## QUARTERLY STEEL STATEMENTS.

It is understood that the Dominion Steel Corporation will probably commence a sending out half-yearly or quarterly reports, and probably the former, again. At the 1913 annual meeting the management announced that, in answer to requests, it would make quarterly returns, but a year later the President told the shareholders that such return could be misleading, and would be abandoned in favor of six months' statements. One was issued in the fall of 1914, but none last autumn, the only official information on earnings between March, 1915, and March, 1916, being the annual report just issued.

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



## Business Conditions in Canada

Greater Proportion of Canadian Industrial Plants Now Employed Than Ever Before.

At no time has a larger proportion of the industrial plant of the country been actively employed than to-day, and an increasing quantity of domestic raw materials is being utilized, says the monthly commercial letter of the Canadian Bank of Commerce. Textile, iron and steel, boot and shoe, packing and other industries are operating as fully as the supply of labor will permit. With prices at unusually high levels the value of the national output will be very much greater than in any previous year. The census taken in 1910 showed the value of the manufactures of Canada in that year, as being \$1,164,000,000, and as the output of many of the larger industries is about fifty per cent greater than that of any previous year, and prices in many cases are more than fifty per cent higher, the value of this year's product will be fully \$2,000,000,000. In some industries a diminution in the amount of night work appears to show that the apex of production has been reached, but excepting in some unimportant districts, the industrial plant of the entire country is operating under the pressure of accumulating orders.

The pulpwood, paper and lumbering industries are steadily increasing their output, owing to the increasing demand from the United States, where the shortage of paper is particularly pronounced because of labor troubles in Norway and the difficulty of obtaining tonnage. The imports from Norway are a considerable factor in the United States market and will be further curtailed, though consumption is increasing. On the Pacific Coast the lumbering business is active and prices are firmer. Rates for ocean shipments have declined and shippers are holding off for better terms. In Nova Scotia the lumber output, it is estimated, will be an average one; and, as purchasers are to supply tonnage for the larger operations, stocks will be disposed of by the end of the season. Ruling prices will return fair profits. In New Brunswick the lumber cut will be 65 per cent of the average.

The British Columbia legislature has authorized the Government to advance 55 per cent of the cost of constructing wooden vessels, in addition to granting a bonus of \$5 per ton upon certain conditions. Advantage has already been taken of this legislation.

Owing to the unfavorable weather in Ontario for seeding peas and planting out tomatoes, the canners anticipate a shortage of these vegetables, and prices have advanced very sharply. The prospects for a heavy yield of fruits of all kinds, not only in Ontario but elsewhere, are most promising.

### Banking and Finance.

The British Columbia Government has brought down a bill providing for the issue of a loan of \$10,000,000, of which \$6,000,000 will be set aside to complete the Pacific and Great Eastern Railway as far as Fort George and the balance will be used for the general purposes of the province. The Agricultural Commission, appointed under the statute passed at the preceding session of the legislature has

been partially organized and will shortly commence operations. About nine hundred applications for loans are already awaiting consideration by that body.

The assets of the chartered banks at the close of April amounted to \$1,825,381,458, or \$119,544,743 more than at the close of the preceding month and \$261,277,905 more than at the close of April a year ago. The increase during the month is due to the financing of the Government's requirements but, aside from this important factor, there continues to be a steady increase in deposits by the public. The recent loan of \$75,000,000 obtained by the Canadian Government in New York accounts for the unusually large deposits abroad and the proceeds of necessity must be kept in liquid form. In August the sum of \$25,000,000 will be required for the retirement of the Government's one-year notes and a large part of the balance will probably find its way back to Canada to meet disbursements in June. The accumulating deposits which are not being absorbed by the demand for commercial loans, are being invested in municipal and British Government securities of which the banks at the end of April held \$93,052,570, or \$48,668,267 more than at the close of March last, and \$67,316,038 more than at the close of April a year ago. Normally the banks carry about \$23,000,000 of this class of securities, and the increase during the last few months, which became so exceptional during April, is partly due to the acquirement of British securities under the terms of the recent credit arrangement. At the end of April the balance due to the Imperial Government under this arrangement was \$24,035,500. A considerable improvement in the demand for commercial loans is evident, but the ratio of this class of loan to domestic deposits is lower than it has hitherto been, and conversely reserves are higher than at any previous period. The increase in deposits in Canada results from government and munition loans and is therefore of a temporary character.

At the end of May the domestic war loan was quoted at 99 and the recent Canadian loan in New York at 100½.

In the first four months of this year Canada purchased from abroad, chiefly from foreign countries, commodities valued at \$228,830,856 or \$91,868,764 more than in the corresponding period of the year previous. Of these purchases a very large proportion is unnecessary. Many articles are being made in the country that might well be dispensed with and the labor thus employed diverted to the making of those things which the armies need. Every dollar saved and placed at the disposal of the Government, and every sacrifice that releases labor in order that it be devoted to the production of imperatively necessary things, or to the performance of essential duties, brings nearer the end of the war. Only by greater economy and thrift, and by curtailing purchases of non-essentials from foreign countries can our credit, commercial and national, be conserved.

## The Possibilities of Russian Trade

Great interest is being taken at the present time in the possibility of developing a trade between Canada and Russia. According to the opinion of a prominent Russian business man who has been in Canada recently arranging connections with Canadian manufacturers, future prospects in this direction are very promising.

Russia, possessing a vast population of 180,000,000, and consequently with tremendous needs and demands, with boundless national resources practically untouched, will afford an extensive market of great stability after the war. The fact that Germany formerly controlled the Russian market gives an added incentive for pushing our trade into this new field. It is a very significant fact, as was widely remarked in German circles after the outbreak of hostilities, that while Germany went to war because of the need of new markets, she lost one of her colonies, referring to Russia, which was then Germany's largest customer. The bulk of the Russian imports passed through Germany, and two-thirds of them were of German origin. Every effort should now be put forth to keep this much prized market in the hands of the Allies after the close of the war.

As the Germans are occupying the manufacturing districts of Russia, there is now an excellent market for all manufactured commodities. There is

more money now in the country than ever before, for the abolition of vodka has brought unusual prosperity and wages are high. Notwithstanding the fact that prices are higher than before the war, the peasants are able to buy goods that were formerly beyond their reach.

The chief difficulty in reaching the Russian market is the abnormal shipping situation. The port of Archangel is almost entirely used for munitions, and the only other port, Vladivostok, is similarly utilized to the extent of 80 per cent for army purposes, and the remaining 20 per cent for general merchandise. Thus the imported article is sold at its Russian destination at inflated prices. The heavy rate of duty imposed on goods coming into Russia also forms a formidable obstacle. These duties are mostly based on weight, so that for instance, the duty on a dozen knives with celluloid handles costing a dollar would be the same as a dozen knives of similar weight costing say twenty dollars.

The needs of a population of so extensive a country are naturally very varied. The requirements of certain parts are similar to that of Great Britain; the agricultural and dairy districts have markets not unlike Western Canada; while the southern parts require the same goods as the countries bordering on the Mediterranean. The main need of Russia has been and always will be agricultural

machinery, since 80 per cent of its population is employed directly in agriculture. The second line of importance to Russia no doubt will be machinery of every kind, but particularly for mining purposes, for oil fields, and for manufacturing plants.

In looking for business connections in Russia it is important that a first class house be selected, and once that is done the much talked of long credit system will practically vanish. The first class firms in Russia very seldom require credit, and if they do they are absolutely sound and worthy of the credit asked. It is more difficult to do a safe business with other than first class firms, and in such cases special precautions have to be taken. The only high grade firms in Russia to do business on the long credit system are the agricultural machinery dealers, and although they sell goods on long terms as they have to obtain local credit for their purchases these are safe accounts, since the Government, through their co-operative stores, are assisting farmers to buy for actual needs while placing their farms on a paying basis.

Unexampled commercial opportunities present themselves in Russia to-day, and all neutral countries are keenly aware of this fact. If Canada is to take her share in this foreign market a concerted effort will have to be put forth by all the manufacturers of this country.

### ELEVATOR CAPACITY AT HEAD OF LAKES.

Elevator storage capacity at Fort William and Port Arthur will take a jump of 4,880,000 bushels this year over the total capacity of 1915 if all plans materialize. Two brand new elevators will rear their rugged crests into the city skyline and two additions to present plants will be constructed this summer. All four will be completed and in readiness to receive the first of the 1916 grain crop.

The total storage capacity at the Canadian head of the lakes, when these new plants are in running order, will be 48,845,000 bushels, and about a million bushels more capacity than all the 65 or 70 elevators of Chicago, until recently the greatest grain port in the world.

When elevators now in course of construction or proposed are completed there will be 29 different plants in the two cities—21 in Fort William and eight in the sister city, Port Arthur. Buffalo, with its capacity, take a back seat when it comes to handling grain. Duluth and Superior, with its 36,000,000 bushel capacity plants, now take third place in the handling of the new plants which with their capacity, are as follows:

	Bushels
N. M. Patterson (addition to "O").....	130,000
Davidson and Smith (addition under construction) .....	1,000,000
Mutual elevator (under construction) .....	500,000
Saskatchewan co-operative elevator .....	3,250,000
Total for new plants .....	4,880,000
<b>Elevators at Fort William.</b>	
Canadian Pacific elevator "D" .....	7,350,000
Empire Elevator .....	1,750,000
Consolidated elevator .....	1,750,000
Ogilvie's elevator .....	2,000,000
Western terminal .....	2,070,000
Grain Growers' Grain company.....	2,500,000
Fort William Elevator company .....	1,750,000
Eastern Terminal Elevator company .....	2,235,000
Grand Trunk Pacific elevator .....	5,750,000
Mutual elevator (under construction) .....	500,000
Hospital and cleaning elevators—	
Black's elevator .....	150,000
Bole's elevator .....	15,000
Dwyer's elevator .....	250,000
Guy's elevator .....	35,000
Muirhead's elevator .....	35,000
N. M. Patterson "K" .....	80,000
N. M. Patterson "O" .....	100,000
N. M. Patterson (addition to "O") .....	130,000
Superior Grain company .....	100,000
Total .....	28,550,000
<b>Elevators at Port Arthur.</b>	
Canadian Northern elevators .....	9,500,000
Thunder Bay elevator .....	1,750,000
Canadian government elevator .....	3,250,000
Horn's elevator .....	750,000
Davidson and Smith's (addition under construction) .....	1,000,000
Saskatchewan Co-operative Grain (under construction) .....	3,250,000
Hospital Elevators and cleaning plants—	
Davidson and Smith (old plant) .....	750,000
National elevator .....	45,000
Total .....	20,295,000
<b>Grand Total .....</b>	<b>48,845,000</b>



# BANK OF MONTREAL

Established 1817

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

## BOARD OF DIRECTORS:

H. V. MEREDITH, Esq., President

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

## Head Office, MONTREAL

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

Bankers in Canada and London, England, for the Government of the Dominion of Canada.

Branches established throughout Canada and Newfoundland; also in London, England, New York, Chicago, and Spokane.

Savings Department at all Canadian Branches. Deposits from \$1. upwards received and interest allowed at current rates.

A GENERAL BANKING BUSINESS TRANSACTED

## The Business Profits Tax

### Returns Now Being Asked For. Essential Features Summarized

Notices are now being sent out by the Finance Department from Ottawa to companies and firms in all parts of Canada requiring them to make returns under the provisions of the business tax adopted at the last session of Parliament.

Some 15,000 such notices are being issued in all, which means that approximately this number of companies and firms will be required to contribute a part of their excess profits made since the war.

For the purposes of the tax, the country has been divided into eleven districts: 2 in Quebec; 4 in Ontario probably; 1 in Nova Scotia and Prince Edward Island; 1 in New Brunswick; 1 in Manitoba; 1 in Saskatchewan and Alberta; and 1 in British Columbia. Officials of the department have been appointed in each of these different districts, whose duty it will be to check up the returns.

The plan is, however, to administer the tax on an extremely economical basis, practically all the work being done from Ottawa through the mails. No board of official referees to adjudicate in the case of appeals will be appointed until appeals commence to be made, probably not till next September.

The notices include a copy of the act and a form, which the company or firm is required to fill out, showing the amount of its bonds, paid-up capital, unimpaired reserve, net profits, etc. These returns are required under the act to be in on July 1. Assessment will then be made at Ottawa before September 1 and payment will have to be made of the tax before November 1.

The essential features of the Business Profits Tax are outlined in a small leaflet issued by the Union Bank of Canada, as follows:

#### Incorporated Companies.

A tax of 25 per cent on net profits exceeding 7 per cent upon capital employed (throughout the accounting period) of \$50,000 or over. Capital employed includes (a) amount of Capital Stock of a Company paid up in cash (or a fair valuation of such stock if issued against any other consideration than cash); (b) actual unimpaired reserves, or accumulated profits.

Note:—Companies with a lesser Capital than \$50,000, 20 per cent or more of whose business is, or has been in manufacturing or dealing in Munitions or War Supplies, are subject to the tax.

N.B.—In determining the profits of Mining Companies an allowance will be made by the Finance Minister for exhaustion of the Mines.

#### Firms and Individuals.

A tax of 25 per cent on net profits exceeding 10 per cent upon capital employed. Capital employed

shall be taken to be the fair value of all Assets used in the business, less all debts owing by the business.

#### Computation of Profits.

The tax is retroactive and is levied for three years upon the net profits shown to any accounting period (fiscal year) ending after December 31st, 1914.

(a) Dividends received from the stock of any Incorporated Company which is taxed under this Act, shall not be included in the profits to be taxed.

(b) Reasonable deductions from gross profits for depreciation, renewals, etc., are allowed.

(c) Deductions from gross profits for remuneration of Directors, Managers, etc., shall not, without consent of the Minister of Finance, exceed the sums deducted for those purposes in the accounting period ended before the 1st of January, 1915 and no deductions of any nature will be permitted which improperly reduce the taxable profits of the business.

A company cannot evade the tax by selling its goods or products to its shareholders or others at less than a fair price, and the Finance Minister has full power to demand additional information (on oath if necessary) and to re-value the Assets in any Statement submitted to him.

#### Return Required.

The Minister of Finance will require, in duplicate, a Return (in the form shown herein) on or before July 1st each year, and neglect to make such Return renders the delinquent liable to a penalty of \$200 for each day of default. Penalty for false statement in any Return \$10,000, or six months imprisonment, or both.

#### Payment of Tax.

On or before September 1st each year, the Finance Minister will forward notice of assessment of taxable profits to each Company, firm and individual, and the tax is payable on or before first of November following.

Note:—If any Company, firm or individual is liable on July 1st, 1916, to a tax on two or more accounting periods covering two years, the tax covering the first twelve months may be paid on November 1st, 1916, the tax covering the second twelve months on November 1st, 1917; and the third and last year's tax on 1st November, 1918. Interest at 7 per cent is chargeable on taxes in arrears.

#### Appeals Against Assessment.

Appeals against the Minister's assessment of taxes may be made in form described by the Act, to a Board of Referees appointed by the Finance Minister, within twenty days after date of mailing of notice of assessment, and if the tax payer is dissatisfied with the decision of the Board, he may within twenty days after mailing of the decision give the Finance Minister written notice, in form prescribed by the Act, of his intention to appeal the decision. The matter will then be referred to the Exchequer Court of Canada, whose decision shall be final.

#### NEW RUSSIAN LOAN.

The Russian Government has completed long pending negotiations with New York bankers for loan of \$50,000,000 under most unusual terms. The American banking group will establish a credit of \$50,000,000 in the United States, to run for three years, in favor of the Russian Government. Simultaneously the Russian Government will establish in Petrograd a credit of 50,000,000 roubles in favor of the American group, at a fixed ratio of three roubles to \$1. Interest on the credit arranged here, at the rate of 6½ per cent per annum, will be paid by the Russian Government in dollars in New York. The rouble credit may be used by the American group at any time at the rate of 3 roubles to \$1.

The Russian Government further extends to the American group an option to purchase at any time within the three-year period 5½ per cent five-year Imperial Russian Government bonds at 94½, less a commission, the bonds to run for five years, from date of purchase, principal and interest payable in dollars in New York. Should the American group elect to exercise its option, the purchase price of these bonds may be paid with the rouble credit at the rate of 3 roubles for \$1.

The unusual advantage of the plan lies in the prospect of exchange profits during the life of the loan. Rouble exchange now rules in New York at about 31 per cent per rouble, whereas, the normal is 51 per cent, or at present a discount of about 39 per cent. The terms of the credit and the option on the five-year bonds both provide against any possible loss in exchange and leave open the opportunity for profit if exchange advances, which in view of the present low rate, seems probable.

#### NEW BANK DIRECTOR.

The Hon. Sir Pierre Evariste LeBlanc, Lieutenant-Governor of the Province of Quebec, has been elected a director of the Montreal City and District Savings Bank to fill the vacancy on the Board created by the death of the late Honorable J. Alderic Ouimet. The Board is now complete as follows:

Hon. Raoul Dandurand, president; Hon. Robert MacKay, vice-president; Richard Bolton, G. N. Moncel, Hon. C. J. Doherty, Hon. Sir Lomer Gouin, Dr. Donald A. Hingston, Fred W. Molson, Clarence F. Smith, Hon. Sir P. Evariste LeBlanc.



## STANDARD BANK

OF CANADA  
HEAD OFFICE - TORONTO

MONEY ORDERS issued for any amount, payable throughout Canada, Great Britain, and all foreign countries.

SAVINGS BANK DEPARTMENT  
AT ALL BRANCHES.

### MONTREAL BRANCH

E. C. GREEN, Manager 136 St. James Street

# IMPERIAL BANK OF CANADA

HEAD OFFICE, TORONTO

Capital Paid up, \$7,000,000 Reserve Fund, \$7,000,000  
PELEG HOWLAND, President E. HAY, General Manager

DRAFTS, Money Orders and Letters of Credit issued available throughout the World.

Dealers in Government and Municipal Securities.

Dealers in Foreign and Domestic Exchange.

Savings Department at all Branches. Interest Credited Half-Yearly at Current Rates.

GENERAL BANKING BUSINESS TRANSACTED

# THE DOMINION BANK

HEAD OFFICE - TORONTO

SIR EDMUND B. OSLER M.P., President  
W. D. MATTHEWS, Vice-President

C. A. BOGERT, General Manager

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

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

# THE HOME BANK OF CANADA

ORIGINAL  
CHARTER  
1854

Head Office, Toronto. James Mason, General Manager

Branches and Connections Throughout Canada.

General Banking Business Transacted  
MONTREAL OFFICES

Main Office, Transportation Bldg., St. James St.  
Bonaventure Branch, 523 St. James St.  
Hochelaga Branch, Cr. Cuvillier and Ontario Sts.  
Mt. Royal Branch, Cr. Mt. Royal and Papineau Ave.

ESTABLISHED 1872

# BANK OF HAMILTON

Head Office: HAMILTON

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

## LORD KITCHENER.

(By Dr. Robert Bridges, in The Times).

"Unflinching hero, watchful to foresee  
And face thy country's peril wheresoe'er,  
Directing war and peace with equal care,  
Till, by long toil ennobled, thou wert he  
Whom England called and bade "set my arm free  
To obey my will and save my honor fair"  
What day the foe presumed on her despair,  
And she herself had trust in none but thee.  
Among herculean deeds the miracle  
That mass'd the labor of ten years in one  
Shall be thy monument. Thy work is done  
Ere we could thank thee, and the high sea swell  
Surge unheeding where thy proud ship fell  
By the lone Orkneys ere the set of sun."

## PROSPECTS FOR NEW DOMINION LOAN.

Dominion War Loan bonds, for which there has been a keen demand of late on both the Montreal and Toronto exchanges, established a new high on Thursday last, advancing to 99½ in the morning's trade. There is now every indication that the thoroughly well placed, and financial critics are watching for signs of a new loan announcement.

Discussing financial plans in a recent issue the financial critic of the Gazette says:

"A further credit for the Imperial Government to finance purchases of war supplies in Canada and a new domestic war loan will probably become active subjects of discussion in the near future.

"As to the former, attention is being drawn to the fact that of the \$75,000,000 credit arranged between the banks and the Imperial Government during the winter, the balance remaining due to the Imperial Government at the end of April was only \$24,035,500. If the statement that payments for munitions have been running at the rate of about \$1,000,000 a day is true, however, the credit is probably exhausted by this time.

"There has been no intimation from Ottawa that a new domestic loan is an early probability, and it may be deferred to the late autumn. With the New York loan only recently concluded and domestic revenues buoyant, there is no indication of an immediate need of funds on the part of the Government. In that connection a rising market for the domestic loan of last autumn and accumulating signs that the issue is thoroughly well placed are viewed as important. Big blocks of the loan which were overhanging the market have been broken up and distributed — placed away with investors who, for the most part, will hold their bonds to maturity — and the market to-day, with the price approaching par against an issue price of 97½, is practically bare of offerings. Conditions in that respect and in respect to the supply of money for investment are, therefore, approaching a stage where a new loan announcement would be assured of a good reception."

## NEWFOUNDLAND BONDS SOLD QUICKLY.

Newfoundland's first loan taken out in America has proved to be a big success. The \$5,000,000, 3-year 5 per cent bonds of the Government which were purchased on Monday of last week by Messrs. Wm. A. Reed, of New York; Lee, Higginson and Co., of Boston, and Dominion Securities Corporation, of Toronto and Montreal, were all disposed of a few hours after the public offering at 99½, New York terms. The ready absorption of the issue is the more notable for the fact that it was Newfoundland's first appearance as a borrower at any centre other than London. The success of the issue reflected favorably on the credit of a borrower unfamiliar to the general run of American investors, while the transaction is also interesting as another indication of how American banking is making use of the opportunities afforded by the temporary closure of the London market to new capital flotations.

## TRUST AND LOAN INVESTMENTS.

The Trust and Loan Co. of Canada, in accordance with a policy of strengthening cash resources in London, reduced its Canadian investments by £256,000 between March 31st, 1915, and March 31st, 1916. A large proportion of the money went into British treasury bills, and, including these, cash reserves of the company rose from £125,000 to £400,000 in the year.

# THE BANK OF BRITISH-NORTH AMERICA

Established in 1836  
Incorporated by Royal Charter in 1849.

Paid up Capital..... \$4,866,666.66  
Reserve Fund..... \$3,017,333.33

Head Office: 5 Gracechurch Street, London  
Head Office in Canada: St. James St.  
Montreal

H. B. MACKENZIE, General Manager

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

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

SAVINGS DEPARTMENT AT ALL BRANCHES

G. B. GERRARD, Manager, Montreal Branch

# THE Royal Bank of Canada

Incorporated 1869

Capital Authorized - - - - \$25,000,000  
Capital Paid up - - - - \$11,560,000  
Reserve Funds - - - - \$13,236,000  
Total Assets - - - - \$200,000,000

HEAD OFFICE: MONTREAL

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

325 Branches in CANADA and NEWFOUNDLAND; 41  
Branches CUBA, PORTO RICO, DOMINICAN REPUBLIC  
COSTA RICA and BRITISH WEST INDIES

LONDON, Eng.  
Princes Street, E. C.

NEW YORK  
Cor. William and Cedar Streets

SAVINGS DEPARTMENTS at all Branches

## QUEBEC BOND SALE.

The Province of Quebec has sold to a New York Syndicate headed by Messrs. J. P. Morgan and Co., \$4,000,000 ten-year 5 per cent. bonds at 99.20. The bonds are the balance of the \$10,000,000 authorized by special act of the Legislature in 1915, the same syndicate having purchased \$6,000,000 in May, 1915, and are a direct obligation of the Province, and are payable in gold in Quebec, Montreal or New York.

This price compares favorably with the following issues recently sold: \$2,000,000 Alberta 10-year 5 per cent bonds at 95.63; \$2,000,000 City of Montreal 20-year 5 per cent. bonds at 98.867; \$4,000,000 Province of Ontario 10-year 5 per cent bonds at 99.

## BOND DEALERS ORGANIZATION.

The bond dealers of Toronto, Montreal, and other Canadian cities have perfected an organization to be known as the Bond Dealers' Association of Canada. The meeting at which the association was formed was held in Toronto, several representatives of the Montreal bond houses being present to assist in the preliminaries. A constitution and by-laws were submitted and adopted, and the following officers elected; President, William Hanson, Hanson Bros., Montreal; vice-presidents, A. E. Ames, A. E. Ames and Co., Toronto, and J. M. Mackie, C. Meredith and Co., Montreal; secretary, C. H. Burgess, C. H. Burgess and Co., Toronto; treasurer, W. C. Pitfield, Royal Securities Corporation, Montreal; executive committee, J. M. Gundy, Wood, Gundy and Co., Toronto; W. C. Brent, Brent, Noxon and Co., Toronto; G. A. Morrow, Dominion Securities Corporation, Toronto; Mr. Gonthier, St. Cyr, Gonthier and Frigon, Montreal; A. H. B. Mackenzie, Mackenzie and Kingman, Montreal; A. J. Nesbitt, Nesbitt, Thompson and Co., Montreal.



# The Canadian Bank of Commerce

ESTABLISHED 1867

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

### BOARD OF DIRECTORS

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

JOHN AIRD, General Manager.

### BRANCHES IN CANADA

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

### BRANCHES AND AGENCIES ELSEWHERE THAN IN CANADA

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

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

### SAVINGS DEPARTMENT

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

### BANK OF ENGLAND STATEMENT.

The Bank of England reports the proportion of liabilities at 31.95 per cent, against 33.59 per cent a week ago. The official rate of discount remains unchanged at 5 per cent.

The weekly statement of the institution shows the following changes: Total reserve increased £136,000, circulation decreased £129,000, bullion increased £7,429, other securities increased £7,101,000, other deposits increased £5,255,000; public deposits increased £1,964,000; notes reserve decreased £11,000. Government securities unchanged.

The detailed return compares as follows:

	1916.	1915.	1914.
Bullion	£61,577,740	£56,529,572	£38,681,596
Reserve	44,671,000	42,032,722	28,713,611
Notes res.	40,084,000	40,891,375	27,069,490
Res. to liab.	31.95%	19½%	48¼%
Circulation	35,351,000	32,946,850	28,417,985
Public deposits	52,696,000	113,042,229	17,637,031
Other deposits	87,542,000	101,759,087	41,869,267
Gov't securities	42,137,000	51,043,491	11,046,570
Other securities	70,704,000	139,488,965	37,462,213

The principal items compare as follows:

	Bullion.	Reserve.	Other securities.
1916.	£61,577,740	£44,671,000	£70,704,000
1915.	56,529,572	42,032,722	139,488,965
1914.	38,681,596	28,713,611	37,462,213
1913.	38,493,511	28,710,626	32,379,121
1912.	41,510,043	31,383,683	36,378,096
1911.	39,875,164	29,319,104	29,281,701
1910.	43,042,103	33,857,758	38,865,508

The proportion of reserve to liabilities compares as follows:

	Per cent.	Per cent.
1916.	31.95	1910. 49%
1915.	19½	1909. 50%
1914.	48½	1908. 50%
1913.	51¼	1907. 47¼
1912.	40%	1906. 49
1911.	52½	1905. 51

Lord Shaughnessy presided at the C. P. R. monthly board meeting for the first time since his recent illness, and received the felicitations of his fellow directors on his recovery.

### BANK OF FRANCE RETURN.

The weekly statement of the Bank of France shows the following changes, in francs: Gold in hand increased 5,264,000, silver in hand decreased 1,250,000, notes in circulation increased 81,445,000, treasury deposits increased 11,348,000, general deposits decreased 48,112,000, bills discounted decreased 6,932,000, advances increased 12,707,000.

The detailed statement compares as follows in francs (000 omitted):

	1916.	1915.	1914.
Gold	4,749,444	3,921,341	3,875,300
Silver	348,767	373,989	641,600
Circulation	15,746,644	12,043,646	5,917,359
Gen. deposits	2,353,378	2,215,647	944,570
Bills discounted	2,293,918	258,040	579,281
Treasury dep'ts.	31,342	131,951	203,994
Advances	1,271,617	621,296	229,323

Somebody has suggested Mr. Ford for the presidency. Is there no stopping these Ford jokes?—Southern Lumberman.

### CARSLAKE APPEAL DISMISSED.

Judgment in the case of the Carslake Hotel Company of Montreal vs. The King, was given last week, the appeal being dismissed by the Supreme Court with costs to the appellants. The Exchequer Court fixed the value of the property at \$288,000, and from this the Company appealed, claiming that the property was worth more. The original demand of the owners was for upwards of \$712,000. The Government offered \$325,000 for the property, but the offer was refused, and Mr. Justice Audette of the Exchequer Court made an award for \$288,000. The Supreme Court now finds that the award fixed by the Judge of the Exchequer Court was fair and reasonable.

At the request of the Canadian Bankers' Association, Queen's University is adding commercial Spanish to the curriculum for the banking course. This is done with the view of meeting conditions in South America, where the development now going on is increasing the need of bonds.

ESTABLISHED 1832

Paid-Up Capital  
\$6,500,000



Reserve Fund  
\$12,000,000

TOTAL ASSETS OVER \$100,000,000

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

## THE BANK OF NOVA SCOTIA



... THE ...

# Molsons BANK

Incorporated by Act of Parliament 1855.

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

HEAD OFFICE : MONTREAL

## BOARD OF DIRECTORS

Wm. Molson MacPherson	- President
S. H. Ewing	- Vice-President
Geo. B. Drummond	W. A. Black
F. W. Molson	Wm. M. Birks
E. J. Chamberlin	
E. C. Pratt	- General Manager
E. W. Waud	- Superintendent of Branches
H. A. Harries, Inspector.	Thos. Carlisle, Assistant Inspector.
T. Beresford Phepoe,	Inspector of Western Branches.

## THE SERIAL BOND PRINCIPLE.

That the City of Montreal might have saved \$124,000 in the flotation of the recent \$2,000,000, 20-year, 5 per cent loan if the bonds had been planned on the serial principle instead of the straight 20-year sinking fund principle, is the opinion of Mr. Hew. R. Wood, a Montreal bond broker. He states that on the latter plan the interest and sinking fund come to \$3,292,000, as against interest of \$1,167,000, and the principle of \$2,000,000, a total of \$3,167,600 for serials.

He also cites the case of the City of Toronto, which received a bid of 99.63 for over \$3,000,000 serial 5 per cent bonds, while, if the report is true the Province of Ontario received a net return of 99 for \$4,000,000 on straight term bonds.

Mr. Wood adds: "It is interesting further to note that on the loan of \$650,000, tenders for which have been called by the Protestant School Commissioners \$125,522.50 might be saved by issuing it in serial form in place of the straight term bond. It is asserted that the sinking funds are hard put to yield an average of 4 per cent a year."

It is claimed that it is becoming recognized more and more that the instalment method of repaying loans is the safest, surest and most economical, and the cases of several leading American State and municipal borrowers using this are cited in support of the contention in addition to the case of Toronto.

It is also claimed that they are worth more, and in the case of the City of Montreal, when issued for a straight 20 years, were sold on a 5.09 per cent basis or equal to 98.867 per hundred, while on a serial basis they would have brought at the rate of 99.316 per hundred.

## LACHINE BONDS SOLD.

The Royal Securities Corporation were awarded the two issues of the City of Lachine of 5½ per cent debentures, aggregating \$267,000. The first lot was for \$167,000 due in twenty years, while the second of \$100,000, was planned on the instalment basis, but as there were some undesirable features in connection with the issue they are to be changed to serial coupon bonds at the request of the buyers. The price bid for the lot was \$99,177.

## Co-operation in Developing Foreign Trade

Abstract From Address Delivered Recently by Mr. Edward N. Hurley, Vice-President of the Federal Trade Commission of the United States.

## After the War, What?

We frequently hear about how the trade of the different countries is going to be regulated after the war. There is no question but that many new economic conditions will be presented not only by the nations at war, but by our own and other neutral countries.

After the war England, France, Russia, Italy, Belgium, and their dependencies, will without a doubt form a co-operative trade compact whereby they will agree to purchase from and sell to each other every possible commodity manufactured or produced by them. This will be for the purpose of protecting their manufactured products and their natural resources, and to co-ordinate their shipping and financial interests.

England in the past developed a large foreign trade through financing foreign enterprises, and for many years the business men of that country obtained their orders through London bankers. This required little, if any, trading or merchandising skill on the part of these manufacturers and merchants to secure business.

## Efficiency in Selling Organizations.

On account of the advantages which the investment of English capital in foreign countries gave to English business men, they did not develop a well organized selling force. When Germany went after foreign trade about 25 years ago, England felt that because of her great financial strength her business men were secure. You know what happened.

The German manufacturers and merchants, realizing that to be efficient they must run their factories to the maximum, which means every day in the year, and realizing that they could not sell all the products which they could produce, in the home markets, started after the foreign trade which England had controlled for so many years. Aided by the German government, they put salesmen in the field in almost every country in the world, and in a few years they were considered the only rivals of England. This was all brought about by thorough and efficient manufacturing and selling organizations.

## Co-operative Selling Agency in Foreign Trade.

Nowhere is co-operation among business men, and between them and government, more essential than in the development of our foreign trade. The success of our European competitors is evidence enough of this. We have reached the point where under normal conditions we must have foreign markets for our surplus manufactured products. The American people, including every day laborer, every clerk, every mechanic, every farmer, and every business man, large and small, is heartily in favor of Congress removing the doubt which now exists in the interpretation of the antitrust laws when applied to organizations cooperating to further our export trade. Such relief will make it possible for us to obtain our share of foreign business so that our factories may run continuously and keep our workmen permanently employed.

Competition is the same the world over, and it will be particularly keen when the business of peace is resumed among the nations. America's chance at the trade of the world will be helped beyond what it was before by reason of a new, even start with the others in the race, but we must be prepared to match systematized industry against the effective systematized industries of our competitors. We must meet conditions as they exist.

## National Competition.

Competition in foreign markets is national. Foreign countries such as England, Germany and France present in markets like those of Latin America a united front. One does not hear of the competition of individual concerns, but, for example, of German competition and English competition. Each country pools its governmental and commercial forces and goes forward into foreign markets in a united effort to capture those markets against the business forces of other countries. Competition from our foreign rivals must therefore be met by bringing together in a co-operative way our national forces

## : Foreign Inquiries :

## PARIS

## O. Levi Farinaux &amp; Cie,

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

COMMISSION MERCHANTS  
IMPORTERS - EXPORTERS

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

## TOKYO

## Japanese Novelty

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

## MATSUMOTO-DO

Dept. No. 690,

TOKYO

JAPAN

## AMSTERDAM

## H. de GROOT

PAPER AND BOARDS

## Overtoom 36-40, AMSTERDAM

is in the market for large quantities of different sorts of:

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

## LA BANQUE NATIONALE STATEMENT.

The annual meeting of the shareholders of La Banque Nationale was held in Quebec on Wednesday. Rodolphe Audette, president of the bank, occupied the chair. It was announced that the profits for the year ending the first of May were of \$341,003.45. The bank has subscribed the sum of \$7,500 to the Canadian Patriotic Fund during the last year, and different sums to other war funds. The bank has also subscribed the sum of \$300,000 to the Canadian war loan, \$1,000,000 to the Imperial war loan for munitions, and \$200,000 to the French war loan for munitions to be paid in Canada.

The following board of directors was elected: Rodolphe Audette, J. B. Laliberte, Victor Chateaufort, Nap. Drouin, Naz. Fortier, Chas. Pettigrew and Nap. Lavoie.

At the meeting of the directors, Rodolphe Audette was re-elected president, and J. B. Laliberte, vice-president.

—governmental, industrial, financial, and commercial. American manufacturers must cease to think selfishly or even provincially; they must think nationally and internationally. If we are to be factors in the world's markets our vision must be broadened; we must cease to think merely of local conditions. United then, in the spirit of co-operation and with the support of our government, there is every reason to believe that we will succeed against all comers in the great markets of the world.



# THE EXPORTER'S FIELD

## Trade Inquiries

The following inquiries relating to Canadian trade have been received by the Department of Trade and Commerce during the past week and appear in the current issue of the Weekly Bulletin. The names of the firms making these inquiries, with their addresses, can be obtained by those especially interested in the respective commodities upon application to: "The Inquiries Branch, The Department of Trade and Commerce, Ottawa," or to the Editor of the Journal of Commerce.

Please Quote the Reference Number When Requesting Addresses.

668. **Box shooks.**—A firm in Calcutta, India, desires quotations c.i.f. Calcutta, as soon as freight rates allow competition on the following box shooks in lots of 1,000 or 10,000 boxes. The boxes may be made from spruce or pine, smooth sawn, free from loose knots:—

No. 1—  
T. and B.—17½ in. x 9 in. x ½ in. . . . . 2 pieces.  
Sides—18 in. x 7½ in. x ½ in. . . . . 1 piece.  
Ends—16½ in. x 7½ in. x ¾ in. . . . . 1 "

No. 2—  
T. and B.—17½ in. x 13¼ in. x ½ in. . . . . 1 "  
Sides—17½ in. x 9¼ in. x ½ in. . . . . 1 "  
Ends—12¼ in. x 9¼ in. x ¾ in. . . . . 1 "

669. **Motor cars.**—A leading established firm in Australia with branches throughout the country desires the sole agency for Australia of a medium-priced Canadian motor car, together with an agency for a commercial chassis. They request to be supplied as soon as possible with the lowest aboard prices, agreement, proposals, and catalogues. They also recommend that manufacturers should send sample cars with right-hand drive on, consignment to Melbourne. In the event of loss on realization should the cars prove not satisfactory for the Australian market the firm in question will share equally with the manufacturers. (Refer File A-640).

670. **Box shooks.**—A London firm wishes to obtain from Canadian manufacturers offers of 10,000 sets of shooks for lobster cases for export to South Africa, in one shipment. Quotations c.i.f. Cape Town. The specification is as follows:

Inside Measurements.	Thickness of Wood—
Length, 22½ in. . . . .	Ends, ¾ in.
Width, 14¾ in. . . . .	Sides, ½ in.
Depth, 8 in. . . . .	Tops and bottoms, ¾ in.

In one or two pieces.

Firms submitting quotations are requested to state how long it will take to execute an order from date of receipt of same.

671. **Dried codfish.**—A London firm who have received inquiries from principals in Spain for dried codfish invites offers from Canadian producers.

672. **Wood flour or ground wood.**—A Glasgow firm wishes to receive quotations from Canadian exporters, c.i.f.

673. **Oak.**—For the manufacture of wooden shives. A Glasgow firm wishes to purchase above.

674. **Canvas, flax, cotton and jute.**—A Glasgow firm is desirous of receiving quotations for the above.

675. **Toys.**—A London firm of importers and merchants asks to be placed in touch with Canadian manufacturers of toys seeking export trade.

676. **Peanut roasters, popcorn stands, brooms.**—A correspondent in England desires catalogues of peanut roasters and popcorn stands. He also states he would like to know prices for gross or half gross, duties and freight.

677. **Representation in Russia.**—A gentleman who is going to Russia would be prepared to accept the representation of a limited number of Canadian firms who will guarantee a proportionate share of his expenses in introducing their goods to Russia.

678. **Milk.**—An old-established manufacturers' agency in Newfoundland asks for names of Canadian manufacturers of sweetened and unsweetened condensed milk.

679. **Burlap and jute rope.**—Exporters of sponges in the Bahamas require burlap rope for baling purposes and would be glad to hear from Canadian exporters.

680. **Ales, wines and liquors.**—A large importer of ales, wines and liquors in the Bahamas is anxious to get in touch with manufacturers and shippers of these articles in Canada. Samples and prices f.o.b. New York are requested.

681. **Agency.**—A Genoa agent wishes to represent Canadian houses for dyes, vegetable ivory, gum arabic, bone grease, old and new metals, es-

pecially old iron.

682. **Wood-paving blocks.**—Venice Chamber of Commerce inquires for wood-paving blocks.

683. **Boot laces.**—A Genoa house inquires for Canadian firms manufacturing boot laces.

684. **Hollow-ware goods, gas and coal ranges, toys, etc.**—A firm in Genoa inquires for bright hollow-ware goods, gas and coal ranges, enamelled utensils, suitable for troops, toys, soapmaking materials, electric light and gas fittings, paints and varnishes.

685. **Oil, soapmaking materials, canned goods.**—A Genoa agent would like to represent Canadian houses for edible cotton-seed oil, palm oil, soapmaking materials, and canned goods.

686. **Woolens, velveteens, pins.**—Merchants in Turin are buyers of serges, woolens, covert coats, velveteens, cotton velvets, and steel pins.

687. **Cloths, woolens, linens, etc.**—A Genoa firm inquires for cloth for gentlemen's clothes, knitted woolens, woolens, linens, perfumery, etc.

688. **Tin.**—A house in Florence is open to buy pure raw tin.

689. **Chemical and pharmaceutical products, rubber goods, etc.**—A firm at Turin inquires for chemical and pharmaceutical products, rubber goods, antiseptics, and disinfectants, vaseline, etc. Representation or sole buying agency for Italy.

690. **Paper.**—A buyer in Italy wishes to hear from Canadian makers of heliograph and cyanograph papers, and tracing papers.

691. **Machinery.**—An Italian house requires contractor's machinery.

692. **Agent.**—An agent established in Genoa seeks agencies for cocoa, pepper, spices, tea, oil-making seeds, industrial oils, etc.

693. **Agent.**—A Genoa agent is willing to represent Canadian houses for metals, raw rubber, surgical and dental instruments and machinery.

694. **Steel, iron, etc.**—Turin agents require steel in bars, metal pipes, steel plates, etc., pig-iron, coal.

695. **Representation.**—An agent at Genoa would represent Canadian firms for printing ink, phosphate of ammonia, chemical products, metal, leather polishes etc.

696. **Tanning and dyeing products, metals, coal, etc.**—A Genoa house would like to represent Canadian firms for chemical products, tanning and dyeing products, metals, coal, etc.

697. **Agencies.**—A merchant at Genoa representing several Canadian wine and liqueur firms would like to take up agencies for biscuits, cocoa, tea, canned goods, chemicals, and pharmaceutical products.

698. **Essences and extracts.**—A Genoa firm who formerly purchased from Germany wishes to get into touch with Canadian makers of essences and extracts for perfumes and liqueurs.

699. **Cheap silver and fancy goods.**—An agent at Genoa would represent Canadian houses for cheap silver and fancy goods.

700. **Sausage casings.**—A house near Venice inquires for sausage casings.

701. **Cranes, drills, tools, etc.**—A firm at Genoa wishes to hear from Canadian firms dealing in cranes, tools in general, and for road construction, drills, nuts and bolts; heavy oils; fretwork and wood-work saws, and blades; mining machinery; machine hammers, files etc.

702. **Antique silver goods, artistic furniture and china, etc.**—An Italian firm inquires for makers of antique silver goods, artistic furniture, and china, etc.

703. **Soaps, oils, etc.**—A Zinola firm wishes to get into touch with Canadian sellers of washing and toilet soaps; silicate of soda; caustic soda; oils and fats for soapmaking, etc.

704. **Emery wheels and grindstones.**—A merchant at Spezia is buyer of emery wheels and grindstones.

705. **Piece-goods and small motor cars.**—A Turin house is interested in piece-goods, also small motor cars.

## A WARNING TO EXPORTERS.

The United States Consul at Palermo, Sicily, writes under a recent date, issuing a warning to exporters against the evil and loss attendant upon bad packing. He says that he witnessed not long ago the unpacking of ten cases of leather goods from an American firm. Owing to a partial breaking of the boxes incurred in transit, thieves had been able to get at the contents of the cases and to extract therefrom goods valued at \$435. This sort of careless packing, he says, not only means the loss of a customer to the exporter, but also tends to discourage the customer from trade with all other American firms.

## EXPORT ASS'N ACTIVE.

The Export Association of Canada, which was organized a few months ago for the purpose of securing orders for Canada from the other portions of the British empire and the allied countries, has booked actual orders with Canadian firms within the past few weeks aggregating more than half a million dollars. This amount could have been increased many-fold but for the scarcity of ocean transportation. That the association has been so successful in spite of the scarcity of space and the abnormally high prevailing freight rate should encourage Canadian manufacturers to prepare for export business.

The association is sending a special representative to Siberia this month. He will go via Vancouver, and will open offices in Vladivostok, continuing his investigation and sales as far west as Omsk on the trans-Siberian railway.

## SMALL AGRICULTURAL MACHINES IN FRANCE.

There is at present an opportunity for the sale in the Bordeaux (France) district of small motor or horsepower agricultural machines that could be used in vineyards or on small farms. Such machines are of particular interest to vineyard owners. As the vines are placed about 4 feet apart, or just enough space to allow a horse to pass through, the machines would have to be made accordingly. Several experiments under the direction of the Government are now being made with these machines. An opportune time for their introduction would be at the commercial fair to be held in Bordeaux next September, when international demonstrations and exhibitions of all kinds will be made.

## "SOUTH AMERICAN" BRANCHES.

A United States Commerce Report from Venezuela emphasizes the undesirability of American firms trading in Venezuela through "South American" branches located in Buenos Aires. "The only advantage, says the report "that American exporters normally have over European competitors in this market is that of nearness and accessibility, and to attempt to do business with Venezuela through Buenos Aires is to throw away a great advantage and assume an impossible handicap." The countries bordering on the Caribbean should always be excluded from the field of such a branch or agency, but even when they are not it is urged that American firms never inform Venezuelan merchants that their inquiries have been referred to Buenos Aires. Such letters not only invariably end all prospects for business but are not infrequently exhibited as illustrating the absurd business methods of American business men in general. This may also apply to Canadian exporters.

## TRADE IN SIBERIA.

The United States Department of Commerce has received word from the Chamber of Commerce of Tchita, in the Province of Transbaikalia, Siberia, stating that the business men of that district wish to negotiate with American firms towards the purchase of steel pipes (black and tinned), ranging from ½ to 2½ and 3 inches in width; tools for gold mining, carpenters, etc.; materials for soap manufacture, chemical goods, pharmaceutical preparations, shoe polishes, and stationery.

The Tchita Chamber of Commerce desires catalogues and price lists from American manufacturers, with prices c.i.f. Vladivostok, and information regarding terms of sale. It is also prepared to suggest names of suitable agents for American goods in that community, and maintains a collection of samples for the benefit of local business men.

The consumption of cotton by United States mills during May, exclusive of linters, amounted to 574,867 running bales, compared with 493,798 bales in May, 1915. The exports last month, including linters, were 507,222 running bales, contrasted with 615,290 bales in May, 1915. The imports in May were 32,602 equivalent 500-pound bales, against 46,173 bales in May, 1915. The number of cotton spindles active in May was 32,205,162, against 31,107,221 in May last year.



# Foreign Industry and Commerce

## Possible Markets

### CHILE.

South American countries have received a deal of attention from Canadian and American manufacturers and exporters, since the European War has shut off the Central Powers from their trade in that direction. Chile is no exception and her trade with the United States has had a remarkable increase. Although general business conditions in Chile have suffered as a result of the war, her two great export products, nitrate of soda and copper, have been in great demand, and this has assisted the trade of the country materially.

The general import trade of Chile is largely in the hands of a number of big importing houses (also engaged in the export trade), which, because of Chile's distance from all great supply markets, carry heavy stocks of imported merchandise distributed all along the coast. The advance in freight rates, as well as in the prices of many commodities in foreign markets, enabled these houses to dispose of their reserve stocks at a profit in a market that had received a short supply of articles from abroad.

### Liberal Credits.

The limited manufacturing development of the country necessitates the importation of a wide variety of articles while the development of the country's great natural resources and export products calls for the importation of a large quantity of machinery, bagging, fuel, lumber, construction and railroad materials, etc.

The methods and terms of sale that appeal most to the American manufacturer are direct sale to the Chilean wholesale, jobbing, or retail houses, on the basis of cash against documents in the port of shipment. Some sales are made on those terms, but the Chilean import trade in most lines has been largely built up on a basis of more liberal credits. Many Chilean importers can not afford to purchase goods which must be paid for two months in advance of the time of arrival. To do that they would have to increase their capital, which at present would be difficult, or they would be forced to reduce their stock, which would prove a serious limiting of their business. However, a large number of houses in Chile command sufficient capital to buy on terms that will insure for them the greatest percentage in cash discounts. The principal houses of this type are the large importing and exporting firms with offices and credits abroad and branch houses in the more important cities in Chile. Several of these are in a large measure responsible for the widespread distribution of American products in Chile. They bring to Chile all kinds of American goods, either for stock or on order, in their own steamers, and carry Chilean products to the American market. They buy in the United States on advantageous terms and deliver the merchandise in Chile according to market requirements as to credit.

The smaller importing wholesale and retail houses avail themselves of four sources of supply—the larger importing houses, the resident foreign purchasing agent, the travelling salesman, and the resident agents. As applied to purchasing general merchandise of American manufacture, the smaller importers are practically limited to buying through or from the large importing houses for the reasons that very few have as yet established resident purchasing agents in the United States, that there are very few American salesmen making this territory, and that there are practically no resident agents of American goods.

### Foreign Purchasing Agents—Resident Sales Agents.

It is probable that if the war continues for some time a number of Chilean importing houses, which now have foreign purchasing agents in Europe only, will appoint agents in the United States or will transfer their European agents to the United States. These agents usually work on a 5 per cent commission basis and purchase, collect, consolidate, and look after the shipment of all merchandise for their principals.

As Chile is a small market, practically all importing houses, whether they resell at wholesale or retail, need to carry diversified lines of goods. A foreign purchasing agent familiar with the needs

of the Chilean market and acting under the direction of his principals can render valuable service to the house or houses for which he is buying in a large foreign market.

An equally valuable service can be rendered to American manufacturers of different types of goods by sales agents resident in Chile who sell locally for the foreign manufacturer or exporter on a commission basis. An agent of this kind is provided with a line of samples by the manufacturer, which he exhibits to the trade and from which he sells. His orders as taken and forwarded represent sales by the manufacturer or exporter, subject to confirmation, direct to the purchasing house. Ordinarily the agent in forwarding his order or memorandum of sales sends with it two bank reports on the standing and reputation of the purchaser. The merchandise is shipped direct to the purchaser and the draft is drawn by the seller against the purchaser in accordance with the terms agreed upon through the agent. After the draft has been paid the manufacturer or exporter remits to the agent his commission. For this work an agent should be industrious and honest, have a large acquaintance in trade circles, and have a thorough knowledge of the line of goods he is selling. A great proportion of the import trade in Chile, and in general of all South America, has been done by resident commission agents, representing principally European houses. It is an economical and effective method of obtaining continual representation in this market, but so far it has not been much used by American manufacturers.

### Articles Imported.

In 1915 imports from the United States included a fairly large number of articles that had formerly been received in commercial quantities from European countries only. Some of these were:—Chrome alum, bichromate of potash, borate of soda, hyposulphite of soda, carbonate of ammonia, flaked cocoonut, acetic acid, sulphuric acid, nicotine, sodium sulphide, sodium silicate, tin foil, tartaric acid, castor oil, bluing, chicory, potato flour, window glass, and yarn. Some of the articles in which a marked increase in imports was shown, as compared with former years, were: Automobiles, flour, belting, calcium carbide, caustic soda, soda ash, lubricating oils, iron and steel, glucose, pig lead, metal straps, cut nails, paraffin wax, rosin, manilla rope, sulphate of copper, machinery, staves, stearin, turpentine, talc, sewing machine oil, cummin seed, soda crystals, printing paper, cinamon, black pepper and rice. American flour has also had a large sale in Chile.

### U. S. IRON ORE PRODUCTION.

The iron ore mined in the United States in 1915 reached the great total of 55,526,490 gross tons, the greatest output made in any year except 1910 and 1913. The shipments in 1915, namely, 55,493,100 gross tons, valued at \$101,288,984, were a little less than the quantity mined. The quantity mined in 1915 was an increase of 14,000,000 tons over the output of 1914. The increase in quantity and in value of iron ore shipped amounted to about 40 and 41 per cent, respectively. The average value per ton in 1915 was \$1.83, compared with \$1.81 in 1914. These figures, which are just made public by the United States Geological Survey, were prepared by E. F. Burchard, who states that the production of iron ore from the Lake Superior district alone in 1916 will possibly be 60,000,000 tons, and that there will probably be an increase in price of 70 to 75 cents a ton for this ore.—The Annalist.

### U. S. IMMIGRANT RETURNS.

Immigrant returns for the first ten months of the present fiscal year show that 291,527 immigrants have been admitted into the United States since July 1, 1915. In that period there have departed from the country 212,478 emigrant aliens, making a net increase of population of 79,049 by immigration during the ten months ended with April. For the entire year, ended June 30, 1915, the net increase by immigration was but 50,070. The greatest volume of immigration continues to come from southern Europe. There entered the country from Greece in April, 4,168; from Italy, 4,087; from Spain, 1,012, and from Portugal, 1,106. The number of Irish was 1,357; Scandinavians, 2,112; English, 1,402; French, 2,525, and Germans, 1,055.

### U. S. TRADE WITH SOUTH AMERICA.

Continued increase in the proportion of exports to South America for the month of April and for the ten months of the fiscal year ending in April is shown in the records of the United States Department of Commerce, which have just been made public. The figures indicate that while the bulk of imports from South America still far exceeds the total exports from the United States, thus making an "unfavorable balance of trade" against this country, the value of exports is steadily growing.

For the ten months of the fiscal year, exports to all South America gained from \$73,000,000 to \$141,000,000, or approximately 100 per cent. During the same period the total imports of the United States from the southern republics increased from \$216,000,000 to \$312,000,000, or about 50 per cent. The value of imports is more than double that of exports, but the proportion is becoming smaller as shipments from the United States expand under the impetus of trade caused by war conditions.

The Department of Commerce statistics for the month of April show a gain in exports from \$10,000,000 to \$14,000,000, an expansion of 40 per cent. For the same month imports increased from \$32,000,000 to \$40,000,000, an expansion of 25 per cent.

It is shown that Argentina is the best customer of the United States, while this country imports most heavily from Brazil. Exports to Argentina for April expanded from \$3,600,000 to \$6,000,000, and for the ten months from \$21,800,000 to \$53,000,000. Exports to Brazil for April recorded an actual loss from \$2,800,000 to \$2,100,000, though the increase for the ten months was from \$20,000,000 to \$31,000,000. Exports to Chili in April gained from \$1,200,000 to \$1,900,000, and in the ten months from \$8,500,000 to \$18,537,000.

### COMBINED RAILWAY AND STEAMER BILLS OF LADING.

Trade Commissioner D. H. Ross reports to his department from Melbourne, Australia, that importers in that city are finding extremely unsatisfactory the "combined Railway and Steamer Bill of Lading," used by Canadian exporters with whom they deal. The use of this form of bill of lading is a very inadequate compliance with overseas trade requirements. So irksome do Australian importers find the use of this document, that they are attempting to have it forbidden by legislation. The chief fault they have to find with it is the absence of any guarantee of a prompt and intact arrival of the goods contracted for. The endorsement "shippers' load and count more or less," is an exceedingly loose one and leaves the importer open to all manner of annoyances.

Melbourne bankers, too, disapprove strongly of this form of document. Here is what a prominent Melbourne banker says of it:

"From a banker's point of view the objection to the document is that it is not a legal security in Australia. The courts both in England and throughout the Commonwealth rule that a bill of lading is a valid instrument only when the goods are actually shipped. A bill of lading which does not show the name of the steamer is not a valid instrument, and is therefore not a legal security. In Australia, even through the name of the steamer be inserted, the document is not necessarily binding on a shipping company unless that particular steamer is in port at the time of date of issue of the bill of lading. My objections may be summarized as under:

1. A banker negotiating a draft supported by such a document has no tangible security.
2. He runs the risk of the drawee in Australia declining to pay until arrival of the relative goods.
3. No remedy is in the hands of the banker for goods short-shipped, and experience up to date shows that in connection with combined railway and steamer bills of lading irregularities in shipment have been almost chronic.

"It appears to me that an easy solution of the whole trouble could be achieved by the negotiating bank of Canada either declining to negotiate the draft until the goods were actually shipped, or offering to negotiate the draft on condition that interest during the period of delay between the date of negotiation and date of actual shipment should be paid by either the shipper in Canada or the consignee in Australia, or perhaps divide the interest equally between the two, but it should be a sine qua non that the draft must be retained by the negotiating bank in Canada until actual date of shipment is assured."



# CANADIAN INDUSTRY, COMMERCE & FINANCE

By J. J. HARPELL

431 Pages

Issued Annually

## The Handbook of Canadian Business

Comprehensive -- Authoritative

### Summary of Contents:

#### CHAPTER I.

##### Industry.

Production and Consumption — Fur Hunting and Trapping — Mining — Fisheries — Lumbering — Agriculture: Orchards and Gardens, Field Crops, Animal Products — Manufacturing.

#### CHAPTER II.

##### Commerce.

Development — Foreign Commerce — Domestic Trade — Ocean Transportation — Ocean Ports — Inland Water Transportation — Railroads — The Common Road or Highway — Methods of Despatch — Markets — Weights and Measures.

#### CHAPTER III.

##### Finance.

Development — Banking — Coinage — Credit — Instruments of Credit — Government Notes — Bank Notes — Cheques — Money Orders, Postal Notes, and Telegraph Transfers — Drafts — Letters of Credit — Documentary Bills of Exchange — Foreign Exchange — Quotations in the New York Market — Foreign Exchange — Quotations in the London Market — Bills of Lading — Warehouse Receipts and Dock Warrants — Promissory Notes — Mortgages and Liens — Deeds — Stocks — Bonds and Debentures — Stock Exchanges — Insurance — Marine Insurance — Fire Insurance — Life Insurance — Annuities — Accident and Sickness Insurance — Employers' Liability and Workmen's Compensation — Fidelity Guarantee Insurance — Boiler, Burglary, Plate Glass, Live Stock, Hall, Weather and Tornado, and Title Insurance.

#### CHAPTER IV.

##### Marketable Commodities and Canadian Producers.

Complete index to Canadian producers of all marketable commodities.

#### CHAPTER V.

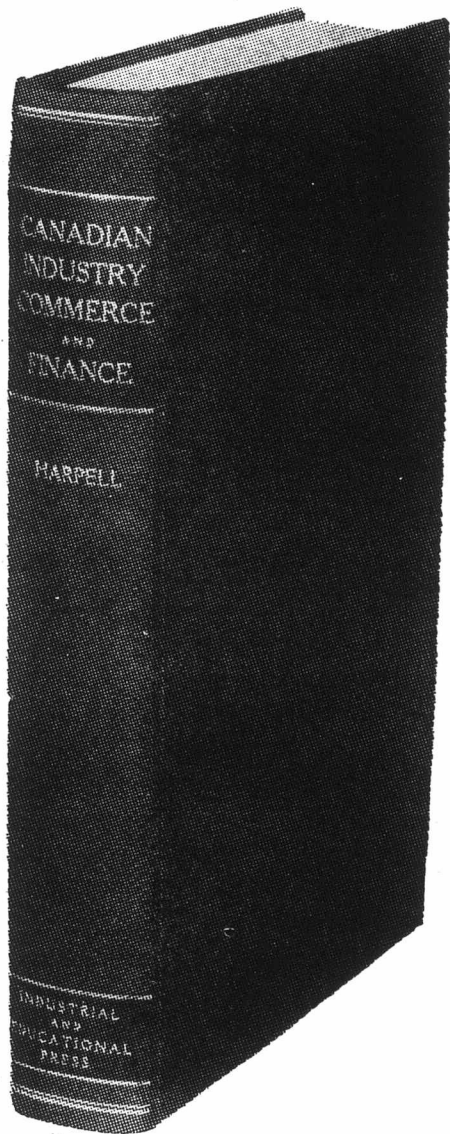
Foreign Manufacturers of Special Machinery and Supplies Necessary to Canadian Industry. Canadian Importers, Manufacturers' Agents and Wholesale Houses, Wholesale Dealers and Exporters.

Foreign Manufacturers of Special Machinery and Supplies Necessary to Canadian Industry, Textile Machinery and Supplies, Pulp and Paper Makers' Machinery and Supplies, Mining Machinery and Supplies, Printers' Machinery and Supplies, Fishermen's Supplies — Importers and Manufacturers' Agents — Wholesale Houses; Dry Goods, Men's Wear, Woolens, Linings and Trimmings, Hats and Caps, Millinery, Boots and Shoes, Leather, Groceries, Glass and China, Sporting Goods, Hardware, Flour and Feed — Wholesale Dealers and Exporters: Apples, Bacon and Hams, Bran and Shorts, Butter, Cattle, Cheese, Eggs, Fish, Fruit, Furs (raw), Hay, Hides, Hogs, Honey, Horses, Lard, Maple Syrup and Sugar, Milk (Condensed, Evaporated, and Powdered), Oils (Fish), Pork, Potatoes, Poultry, Produce (General), Pulpwood, Seeds, Wool.

#### CHAPTER VI.

##### Institutions Necessary to the Business Interests of the Country.

Banks — Trust Companies — Stock and Bond Brokers — Life Insurance Companies — Fire Insurance Companies — Accident and Casualty Insurance Companies — Consulting Engineers — Consulting Chemists and Analysts — Leading Canadian Technical and Specialized Periodicals.



This book has been compiled and published as a Companion Volume to the Journal of Commerce, and is included with each subscription to the JOURNAL OF COMMERCE at the regular Price of Three Dollars per year.

PUBLISHED AND DISTRIBUTED BY

**THE INDUSTRIAL & EDUCATIONAL PRESS**  
LIMITED

35-45 St. Alexander St.

Montreal, Canada



## Impregnable

During 1915, assets of the Sun Life of Canada increased 16% to \$74,326,423 — much the largest resources held by any Canadian Life Company.

Sun Life of Canada Policies are SAFE Policies to buy.

SUN LIFE ASSURANCE  
COMPANY OF CANADA  
HEAD OFFICE—MONTREAL

## They are Popular

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

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

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

Some good agency openings are available.

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

## NORTH AMERICAN LIFE ASSURANCE COMPANY

Home Office, Toronto, Ont.  
EDWARD GURNEY, President. L. GOLDMAN, 1st Vice-President and Managing Director.

## Burglary Insurance

STORES, OFFICES,  
CITY RESIDENCES,  
SUMMER RESIDENCES.

Accident, Health, Plate Glass Burglary, Fidelity Judicial and Contract Bonds, Employer's and Public Liability.

## The Provident Accident and Guarantee Company

HEAD OFFICE — — — MONTREAL  
160 St. James Street. Tel. Main 1626.

## The Independent Order of Foresters

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

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

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

TOTAL BENEFITS PAID.....\$42,000,000

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

## FIRE INSURANCE BROKERS ELECTIONS.

The following officers of the Fire Insurance Brokers' Association, Inc., were elected at the annual general meeting held in Montreal last week: President, R. L. Charlton; vice-presidents, E. Hurtubise and P. W. A. Burket; treasurer, R. J. Wickham; secretary, Ernest C. Cole. Directors: Messrs. G. E. Lyman, R. P. Adams, W. A. Ralston, G. G. Fox, C. F. Hare, I. Crepeau, E. Gauthier, J. Hurtubise, A. Simard and G. Pacaud.

## INTERESTING JUDGMENT ON ACCIDENT CLAIM.

An interesting judgment was rendered by Mr. Justice Greenshields of the Supreme Court last week in the case of the Travellers' Insurance Company of Hartford, N.J., and Mr. A. G. Brooke Claxton, of Montreal, condemning the company to fulfil their liability toward the plaintiff under two policies he held with the company insuring him against bodily injuries effected by accident. The question involved, and about which a spirited legal fight was made, was whether hernia in this case was the result of accident and as such came within the liability of the policies.

By his decision that it does, Justice Greenshields has established important jurisprudence on the point at issue.

"The plaintiff," said His Lordship, "has from his boyhood taken an active part in outdoor sports. Latterly, and for a number of years he followed with keenness the royal game of golf as a matter of amusement and exercise. In winter, when he was unable to follow the game out of doors, he continued his exercise by swinging his clubs in his house. On March 12, 1914, while at this exercise he felt what he describes as a 'tearing pain' in his left side. Subsequently medical aid was called, and the doctor pronounced that Mr. Claxton was suffering from double hernia, caused by the violent exercise the patient had indulged in on March 12. An operation was performed; the company defendant was notified of the injury and of the intended claim under the two policies, but they refused to pay; hence this action.

"Defendant's plea was that the assured did not suffer bodily injuries which were caused through external violent and accidental means, but that the hernia existed previous to March 12, 1914, if not actually apparent at that time, and the plaintiff was always predisposed to hernia.

"No matter how predisposed plaintiff may have been to develop hernia the actual condition never developed until March 13. It is a fact well known to medical science that a person may become immediately afflicted with hernia as a result of a sudden strain or wrench no matter from what cause that strain may arise. I have no doubt that whatever the predisposition of the plaintiff may have been to hernia the actual condition developed on March 13 was due to the violent exercise of swinging his golf club on the morning of the 12th. That the policy contemplates hernia being caused by an accident is beyond any question, and the liability existed from the moment the policy was issued. 'But,' says defendant, 'that was not an accident as contemplated by my policy, even if the hernia resulted as a consequence of what the plaintiff was doing.' I cannot follow the defendant in this pretension. The word 'accident' or 'accidental,' where used in this policy, has, in my opinion, no technically restricted—or what I might call 'insurance'—meaning. The policy is a contract the wording of which was chosen by the defendant, and I should interpret the word 'accident' or 'accidental' when and where used in the policy, in the ordinary and popular significance of the words. The plaintiff intended to swing his club for healthful exercise. He did not intend to cause himself injury, and if while practising this exercise, and as a consequence of doing it, injury resulted, there was an injury caused by the accident.

"I find that the resulting disability to the plaintiff in the present case was immediately due to the accident which happened while he was swinging his club on March 12, 1914, and the company defendant is condemned to pay to plaintiff the sum of \$100 on the policies."

## CONFER ON WESTERN FIRE INSURANCE.

An important conference of fire insurance company officials to consider the disturbed situation in Western Canada was held in Chicago last week. Officials were present from Montreal, Toronto and Winnipeg, together with company officers from Hartford and New York, and the western managers having jurisdiction in Canada. For some time conditions in the western provinces of Manitoba, Saskatchewan and Alberta have been disturbed and the Springfield has withdrawn from membership in the Western Canada Fire Underwriters' Association and the National of Hartford has given thirty days' notice of withdrawal.

## THE Dominion Savings AND Investment Society

Capital - - - \$1,000,000.00  
Reserve - - - 225,000.00

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

Dominion Savings Bldg.  
LONDON, CANADA.

## AN IDEAL INCOME

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

Union Mutual Life Insurance Company,  
Portland, Maine

on its

### MONTHLY INCOME PLAN

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

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

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

## You can Improve Your Position

Have you heard of the Sales and  
Intelligence Departments of the  
Canada Life?

They give special assistance to  
the Company's representatives.  
They teach a man the insurance  
business by correspondence and  
personal assistance free of  
charge.

Then they place him in a posi-  
tion and help him to make good.  
The first two lessons of  
the Company's correspondence  
course will be sent to anyone in-  
terested. It will pay young men  
who desire to get on in the  
world to look into this. All cor-  
respondence strictly confiden-  
tial.



CANADA LIFE ASSURANCE CO.  
Head Office, Toronto.

There are the strongest reasons  
why you had better leave your  
affairs in the hands of a Trust  
Company and not private in-  
dividuals.

Communicate with

## PRUDENTIAL TRUST COMPANY LIMITED

Head Office - Montreal

Branches and Agencies:

Toronto Regina Edmonton Vancouver  
Quebec St. John Halifax  
London, Eng.



## WESTERN ASSURANCE COMPANY

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

Assets Over - - - \$4,000,000.00  
Losses paid since organization, over - - - 63,000,000.00  
HEAD OFFICE - - - - TORONTO, ONT.  
W. R. BROCK, President. W. B. MEIKLE, Vice-Pres. & Gen. Man.  
QUEBEC PROVINCE BRANCH:  
61 ST. PETER STREET, MONTREAL  
ROBERT BICKERDIKE, Manager

## UNION ASSURANCE SOCIETY LIMITED

OF LONDON, ENGLAND

FIRE INSURANCE SINCE A.D. 1714

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

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

AGENCIES THROUGHOUT THE DOMINION

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

Offers Liberal Contracts to Capable Field Men

GOOD OPPORTUNITY FOR MEN TO BUILD UP A PERMANENT CONNECTION

WE PARTICULARLY DESIRE REPRESENTATIVES FOR CITY OF MONTREAL

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

ALEX. BISSETT - - - Manager for Canada

Founded in 1806

## THE LAW UNION AND ROCK INSURANCE CO. LIMITED

OF LONDON

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

Canadian Head Office:

57 Beaver Hall Hill, MONTREAL

Agents wanted in unrepresented towns in Canada

J. E. E. DICKSON, Canadian Manager.  
W. D. AIKEN, Superintendent Accident Dept.

## Commercial Union Assurance Co. LIMITED

OF LONDON, ENG.

The largest general Insurance Company in the world

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

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

Applications for Agencies solicited in unrepresented districts.

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

### ASSURANCE MERGER.

Canadian Casualty and Boiler Insurance Company and General Accident Assurance Company of Canada have been entirely owned by the same shareholders and operated under the same management for several years, and it has been decided to fuse the two companies into one, which will be known as The General Accident Assurance Company of Canada, and the Canadian Casualty will thereby pass out of existence, but merely in name.

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

### CARRY HEAVY INSURANCE.

The Twenty-First Annual Convention of the National Wholesale Liquor Dealers' Association of America, held at Louisville, May 9th, 10th and 11th, developed that the liquor industry of the United States carries close to one billion dollars of insurance.

A Louisville agent canvassed the convention attendants, who were from practically every state in the United States. The inquiry developed that the retail trade alone carries insurance estimated at approximately \$230,000,000, while the wholesale trade and the manufacturers carry about \$850,000,000 more.

The magnitude of the liquor industry, as shown by reports made at the convention, surprised those who had not given the subject much thought. From government statistics it was gleaned that the capital invested in the liquor industry reaches the sum of \$1,294,583,426; that the annual disbursements, other than wages, are \$1,121,696,097, and the annual disbursement for wages aggregates \$453,872,553.

The above statistics have been sent to the insurance press, presumably in the interests of the liquor trade. What good the trade hopes will come from their publication is not evident, as capital if deprived of one outlet will turn to some other. Instead of the brewery there will be another factory, instead of the saloon another store or place of legitimate amusement, and the heads of the workers will be more clear and the muscles more firm for the lack of fictitious stimulant that in the end does only harm.—Insurance Monitor.

### GOVERNMENT HEALTH INSURANCE.

Government health insurance administered under Federal or State jurisdiction will not weaken individual effort. Instead it will make the individual stronger by making him more independent economically. This conclusion was stated by Dr. B. S. Warren, of the United States Public Health Service in a paper before the American Medical Association at its annual meeting in Detroit last week. Dr. Warren was detailed by the United States Public Health Service over two years ago to undertake an exhaustive investigation of government-administered health insurance, and is the author of the recent report on this subject issued by the United States Public Health Service.

"Everything points to the necessity of government-administered health insurance if the health and well-being of American wage earners are to be properly conserved," Dr. Warren said. "Preventable disease, caused by poverty and lack of co-operation and systematic effort by health-conserving agencies, is now causing havoc among American industrial workers.

"Under a system of health insurance for wage workers administered by the State, the poorest of workmen and their families could secure adequate medical and surgical treatment through the use of a fund to be supplied by payments of 50 cents per week for each employe—25 cents to be contributed by the employe, 20 cents by the employer, and 5 cents by the community through taxation."

### FISHING IN ALGONQUIN PARK.

In the extensive reservation of 1,750,000 acres, set aside by the Ontario Government as a play ground for the people and known as Algonquin Park; the fishing in the waters of its 1,500 lakes and rivers is good. Such gamey species as small mouthed black bass, speckled trout, salmon trout and lake trout predominate. With the annual increase of anglers and tourists visiting this section, the lakes in close contiguity to the hotels and log cabin camps are apt to become depleted, and to avoid any possibility of this the Ontario Government, with the co-operation of the Grand Trunk Railway, are continually re-stocking these waters. They have just forwarded from the Government Hatchery in Warton, 200,000 lake trout fry which reached the Park in good condition and 60,000 of them were placed in Smoke Lake, on which is situated the log cabin camp known as "Nominigan Camp," and 140,000 placed in Cache Lake, directly opposite the Highland Inn. The fishing in the lakes some miles from the hotel, and reached by innumerable canoe routes, teem with the gamiest of the finny tribe and the natural propagation of this fish will keep these lakes well stocked indefinitely. Algonquin Park is probably the most delightful region in Canada for a summer outing. It is the highest point in Ontario, 2,000 feet above sea level.

## Correspondence

### PREPAREDNESS.

Preparedness is a word much in vogue; but for what? Generally it is used in relation to war, deemed by many as being inevitable. There is a prayer: "From war, pestilence and famine, good Lord deliver us." In the world's progress pestilence and famine, while not wholly overcome, have been largely mitigated, and even as to war, it can justly be said that there has been a deepening dread of it, and an appreciation of the great blessings of peace. In other ages war was the normal condition, but a new time came, and it became the abnormal.

As we cannot blot out the fundamental and eternal principle of the Gospel of peace and goodwill, for men and nations, it abides as the light and obligation and supreme ideal to be sought, as the real way of the truest happiness, and greatest well-being. For, whatever virtues even civilized war may develop, ample provision abounds to give us all that is needful to the highest manhood, without the curse, the woe, the misery, and the awful carnage of war. General Sherman's dictum is the true characterization: "War is hell." From the trenches of Flanders, this comes in letter after letter. Men, while conscious of the fact, at the call of duty see no other way than to obey, and go forward in good hope and courage. That is what is being done by the Allies to-day, in this most righteous war, a war that diplomacy could not avert, evidently aimed at since 1871. The very life of nations being at stake, and the deepest and highest principles of human welfare being challenged, no other course was left, for a free people, than to uphold that which is just and righteous. Of the outcome there can be no doubt; a great spiritual principle may pass through the clouds, but cannot be destroyed. That gives meaning, force, and glory to this war.

Beyond it as a constant Sun abides the claims of the "Light of the World"; out of it will come a deepening sense of the woe, waste, and want of war, and therewith a greater appreciation of the inestimable blessings of peace.

There is a trend, somewhat of a surprise, by leaders in the United States to exploit the war in the direction of, to use the term of The New Republic, "mad jingoism."

For the coming Presidential election the already coined slogans indicate somewhat of the war mint. "Preparedness and prosperity; Preparedness and Americanism." Another school of wiser political philosophy have adopted the time honored phrase: "Peace and Prosperity." Lord Bryce has commended the United States for the efforts made for a world peace, the most productive, the most fruitful soil, of a free and truly democratic people. Preparedness in accord with the historic animating spirit of our great neighbor would seem in the interest of a world at once wise and beneficent; which would redound to the glory and greatly enhance the greatness of the American Continent. For we cannot be oblivious to the fact that, as neighbors, needed for each other, bound by so many ties of a common origin and language, with so many growing intimate relations, our interests will be best conserved by that "more excellent way."

## WHY

### I Should Select a Mutual Policy!

- FIRST**—Because in a mutual company the assets are the sole property of the policy-holders.
- SECOND**—Because in a mutual company ALL of the profits go to the policy-holders; not 90% or 95%, but THE WHOLE.
- THIRD**—Because in a mutual company the executive is directly responsible to the policy-holders; ALL the directors are policy-holders' directors.
- FOURTH**—Because mutual companies hold the record for stability.
- FIFTH**—Because mutual companies have all the "safety-first" features of stock companies with mutual-ity thrown in.
- SIXTH**—Because the largest American companies are already mutual or seriously considering mutualization, and already more than one-half of legal reserve insurance is mutual.
- SEVENTH**—Because mutual companies are not built up in the interest of the FEW, but of the MANY.

THEREFORE, I WILL TAKE FOR MINE

THE MUTUAL LIFE ASSURANCE  
Company of Canada

Canada's Only Mutual :: Waterloo, Ontario



## BLACK DIAMOND

FILE WORKS

Established 1863 Incorporated 1897  
 Highest Awards at Twelve International Expositions. Special Prize, Gold Medal, Atlanta, 1895

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

Owned and Operated by  
 NICHOLSON FILE COMPANY



### DIVIDEND NOTICES

#### The Bank of Nova Scotia

DIVIDEND NO. 186.

Notice is hereby given that a Dividend at the rate of Fourteen per cent. per annum on the paid-up Capital Stock of this Bank has been declared for the quarter ending June 30th, and that the same will be payable on and after Monday, the 3rd day of July next, at any of the offices of the Bank. The Stock Transfer Book will be closed from the 16th to the 30th proximo, inclusive.

By order of the Board,  
**H. A. RICHARDSON,**  
 General Manager  
 Halifax, N.S., May 19th, 1916.

#### The Montreal City & District Savings Bank

Notice is hereby given that a Dividend of Two Dollars per Share on the Capital Stock of this Institution has been declared, and will be payable at its Head Office, in this City, on and after Monday, the 3rd of July next, to Shareholders of record at the close of business on the 15th day of June next.

By order of the Board,  
**A. P. LESPERANCE,**  
 Manager  
 Montreal, May 29th, 1916.



SEALED TENDERS addressed to the undersigned, and endorsed "Tender for Supplying Coal for the Dominion Buildings," will be received at this office until 4:00 P.M. on Wednesday, June 28, 1916, for the supply of coal for the Public Buildings throughout the Dominion.

Combined specification and form of tender can be obtained at this Department and on application to the caretakers of the different Buildings.

Persons tendering are notified that tenders will not be considered unless made on the printed forms supplied, and signed with their actual signatures.

Each tender must be accompanied by an accepted cheque on a chartered bank, payable to the order of Public Works, equal to ten per cent (10 p.c.), of the amount of the tender, which will be forfeited if the person tendering declines to enter into a contract when called upon to do so or fail to complete the contract. If the tender be not accepted the cheque will be returned.

By order,  
**R. C. DESROCHERS,**  
 Secretary.  
 Department of Public Works,  
 Ottawa, June 7, 1916.

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

### INVENTORY OF BRITISH FOODSTUFFS.

The British Government is taking an inventory of all foodstuffs in the United Kingdom. Farmers are receiving a request for a report to the board of agriculture on their stocks of wheat, corn and barley, the extent of their growing crops, and amount of their live stock. No farmer is to be permitted to sell hay, or straw, except at army rates, which are considerably lower than private dealers are offering.

### PROFESSIONAL

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

HOWARD S. ROSS, K.C. EUGENE R. ANGERS

**ROSS & ANGERS**  
 BARRISTERS and SOLICITORS  
 Coristine Building, 20 St. Nicholas St., Montreal

### "THE CANADIAN CONSTRUCTION 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 the 6th May, 1916, incorporating M.M. J. Antonio Beaudry, publisher; J. Ernest Valin, accountant; Edmond T. Sayers, advertising agent; Uldege Beaudry, solicitor; G. E. Coulard, accountant, all of the city of Montreal, for the following purposes:

To purchase, own, hold, obtain, print, design, receive, exploit, develop, sell, convey and lease lots of land, quarries, water powers, water works, transmission lines, aerial conveyers, railway silings, works, or plants of all kinds, machinery, rolling stock, patents, trade marks, publications, newspapers, reviews, copyrights of all kinds, the whole upon the property of the company, or upon any property whereon it may have obtained the permission from the proprietors to do so; to deal in materials and goods of all kinds, moveable and immovable properties, hypothecate, exchange, build upon and improve the same, and especially to carry on any business incidental to that object;

To carry on any business which may appear to the company capable of being conveniently carried on in connection with the above, and calculated directly or indirectly to enhance the value of, or render profitable the company's property or rights;

To acquire or take over the whole or part of the business property and liabilities of any person or company, carrying on any business which the company is authorized to carry on or possessed of property suitable for the purpose of the company and to pay for the same in paid up shares of the capital stock of the company

To take or otherwise acquire and to hold and sell or dispose of shares in any other company having objects in whole or in part similar to those of this company, or doing any business capable of being directly or indirectly carried on for the benefit of this company;

To sell, lease, or otherwise dispose of the property, rights, franchises and undertakings of the company or any part thereof for such consideration as the company may deem fit, and in particular for shares, debentures, bonds or other securities of any other company having objects in whole or in part similar to those of this company;

To consolidate or amalgamate with any other company having objects wholly or partly similar to those of this company and to enter into any agreement for the sharing of profits, union of interests, co-operation, joint adventures, reciprocal concession or otherwise with any person, firm or company carrying on or engaged in or about to carry on or engage in any business transaction capable of being directly or indirectly carried on for the benefit of this company, and to take or otherwise, acquire shares or securities of any such company, and to pledge, sell, issue or re-issue with or without guarantee as to principal and interests or otherwise deal with the same;

To purchase, lease or otherwise acquire, hold or own the whole or any of the property, franchises, good-will rights and privileges held or owned by any person or firm or by any company or companies carrying on or formed for the carrying on of any business similar to that which this company is authorized to carry on, and to pay for the same wholly or partly in cash, or wholly or partly in paid up shares of the company, or otherwise and to take over the liabilities of any such person, firm or company;

To draw, make, accept, endorse, discount and execute bills payable or receivable, checks, bills of exchange, warrants and other negotiable and transferable instruments;

To make advance of money to the customers and others having dealings with the company and to guarantee the performances of contracts by any persons;

To remunerate in cash, stocks, bonds or in any other manner any person or persons, corporations for service rendered or to be rendered in placing or assisting to place or guaranteeing the placing of any shares of the capital stock of the company, or of any debentures or other securities of the company, or in or about the formation or promotion of the company or the conduct of its business;

To do all or any of the foregoing acts as principals, agents or attorneys, under the name of The Canadian Construction Company Limited, with a capital stock of ninety thousand dollars (\$90,000.00), divided into nine hundred (900) shares of one hundred dollars (\$100.00) each.

The principal place of business of the corporation, to be in the city of Montreal, in the Province of Quebec.

Dated from the office of the Provincial Secretary, this sixth day of May, 1916.

4 ins. **C. J. SIMARD,**  
 Assistant Provincial Secretary.

### NEW ROUTE TO THE WEST.

**A New and Vast Portion of Canada in the Making is to be Seen While Travelling in Modern Railway Comfort—The "Western National," The "National Atlantic"—Canadian Government Railways' Express Trains—Quebec and Winnipeg.**

A new chapter in the railway history of Canada, and in fact, of North America, will be written with the inauguration of the new express service between Quebec and Winnipeg by the Canadian Government Railways. More fitting names could hardly have been selected for the two expresses—the "Western National" and the "National Atlantic." The mere mention of such a service in normal times would have attracted national attention — for the opening of a direct railway route with a through sleeping car service, a route independent of junction or terminal changes, under Government ownership and management, and making a new link between the Atlantic and the Pacific, is surely of national import.

Commencing June 13th, the "Western National" will leave Quebec at 2.00 p.m. Tuesday, Thursday, and Saturday, arrive Cochrane, Ont., 4.10 p.m. Wednesday, Friday and Sunday, there connecting with the "National" for Toronto, and arrive Winnipeg 4.30 p.m. Thursday, Saturday and Monday. On the eastern trip the through sleeping car will leave Winnipeg 5.15 p.m., Sunday, Tuesday and Thursday, arrive Cochrane 6.55 p.m., Monday, Wednesday and Friday, and the National-Atlantic will leave Cochrane 7.15 p.m. Monday, Wednesday and Friday, arriving Quebec 9.10 p.m. Tuesday, Thursday and Saturday. This is forty-nine hours travel, and the quickest time between the two cities.

Observation sleeping cars will be operated, thus giving an opportunity of seeing a new portion of Canada in the making, while travelling in modern railway comfort. The "National" traveller will note the hardy pioneer has not only blazed the trail, but has commenced settlement, for here and there along this — the most northerly of the eight Transcontinental routes — are already flourishing farming areas. He will see development in the lumber and pulp industry, and the vast possibilities for extension in those directions. He will stop at La Tuque (population over 4,000), and Cochrane (population over 2,000), modern towns, with schools, churches, hospital, electric light, built on lands, which only a few years ago were in the heart of an unknown wilderness. Other towns in the making and town sites will be observed. He will cross many noble rivers, and ride in view of immense inland waters.

The opening of such a territory will naturally suggest untold possibilities for the prospector, hunter, trapper and angler—and these possibilities are so varied and extensive as to be beyond human calculation. Already there are competent guides who make it a business to conduct hunting and fishing parties to selected camps, while organized canoe trips on the network of rivers, and even to the shores of Hudson Bay, can be arranged. Evidences of the great world war will be seen in the Detention Camps at Spidit Lake and Kapuskasing, where foreign aliens are interned. The "National Traveller" will pass through the Great Clay Belt for over 400 miles, an area of 16,000,000 acres of level or undulating land destined to be the future home of thousands of settlers.

He will cross New Ontario, 330,000 square miles, fully four times the size of Old Ontario, into Manitoba, and reach Winnipeg over a section of the great wheat area of that fertile province. And all the time he will be on a railway on which no expense has been spared in making it what modern engineering science demands in an up-to-date railway.

Mention has been made that the railway from Quebec to Winnipeg is a link between the Atlantic and the Pacific. The Government Railways (The Intercolonial) from the Atlantic seaports: Halifax, Sydney and St. John, connect at Quebec from Levis by the car ferry SS. "Leonard" until such time as the Quebec Bridge is completed. At Winnipeg the Grand Trunk Pacific, using the same Union Station, permits of direct connection with its lines for the Northwest and Prince Rupert on the Pacific Coast, thus forming a new Transcontinental route from coast to coast—a route that will be the potential transportation factor in the development of Canada's new and vast areas.

The per capita fire loss in New York City for 1915 was \$1.06, the lowest in the history of the city. This compares with a per capita loss for leading cities of 42 cents in Austria, 67 cents in England, 63 cents in France, 17 cents in Germany, 37 cents in Italy, and 7 cents in the Netherlands.



# Questionable Promotion Method

TELEPHONE MAIN 7256

CAPITAL \$40,000.00

## Ontario Bond Corporation, Limited

26-28 Adelaide Street West

Toronto, June 14th, 1916

Dear Sir:—

We wish to speak to you for a moment of what promises to be an exceptional gold mining speculative investment; an opportunity combining speculation with protection from loss, so good that the men in control are arranging with one of the oldest and strongest Trust Companies in Canada to fully guarantee from loss the first purchasers of shares in case the mine does not pay 100 per cent in dividends within a given period, or in case the stock after being listed on the Stock Exchange has not doubled in value within a stated time.

Canadian gold mining has never been so favorably looked upon as it is to-day. Principally dividends are being paid annually and original investments have been increased many fold. We believe there are many investors desirous of sharing in the profit coming from the enormous mineral wealth of Canada providing they could be certain that their investment was safe.

There has come to this office the opportunity to secure a block of stock in a newly discovered Canadian gold mine, and our investigations so far regarding the property—the Engineers' reports pertaining to it—and the tanding and reliability of the men behind it lead us to believe that it has a wonderful future. Samples of ore taken from this property assay thousands of dollars per ton. These facts together with the undertaking of a responsible Trust Company guaranteeing to return to the purchasers of shares every dollar invested if the mine does not pay us 100 per cent in dividends lead us to believe that there never has been presented a more favorable opportunity to combine speculation with protection from loss in a mining security, providing of course, that all arrangements can be made in accordance with the above understanding.

We desire to know in advance the probable demand for these shares, and invite you to use the enclosed reply card for our mutual advantage. It implies nothing except that you are interested, and will be treated in strictest confidence.

Yours very truly,

ONTARIO BOND CORPORATION, LIMITED.

(Signed) A. G. PENMAN,

General Manager.

The above is a reproduction of a letter that is being freely circulated through the mails in an effort, evidently, to locate those, among the Canadian public, who possess an abundance of credulity and a little money.

On receipt of the enclosed "reply card" which does the trick, a bombardment begin in which the mails again, assisted by a large touring car and a beautifully engraved and illustrated prospectus of the Rognon Gold Mines Limited plays an important part.

On the first page of this prospectus, which is really a very fine specimen of the printers' and engravers' art, there appears a reproduction in colors of a piece of quartz studded with free gold, which, if it ever existed in nature, would assay several thousand ounces to the ton. It is labelled "Specimen of gold ore taken from the Rognon Vein, Rognon Gold Mine." What an alluring prospect this presents to the mind as the observer calculates the value of some thousands of ounces to the ton at \$20 an ounce.

The second page of the prospectus is occupied by a half-tone reproduction in sepia, of a trench on the property of the Rognon Gold Mines Limited in which a number of miners and others are located on its banks and in postures best calculated to inspire the prospective purchaser with a vivid conception of the activity that must exist on this wonderful property.

On the third page are set forth the names of the Board of Directors, together with all the titles and executive positions which each has ever held. Then follows some six pages of rhetoric designed to fire the imagination rather than give definite information about the property, the shares of which are being offered for subscription. The following quotations from pages six and seven are fair samples of the generalities, in which the writer of this prospectus indulges.

"While picked specimens of ore taken from the Rognon Vein have given assays at fabulous rates per ton, it is not our desire to mislead ourselves or others by quoting these exceptional results."

"The Rognon Vein taken as a whole probably shows up better to-day than any gold-bearing vein in Ontario has ever done with the same amount of development work."

"As an instance of how quickly a high-grade ore shoot will run into money, it is said that from the Mysore Gold Mine in India, over 82 million dollars of gold were extracted from a vein four feet wide, the ore shoot in which was 800 feet long and 400 feet deep approximately."

Then follows particular regarding the stock issue. These are to the effect that the directors have given

an option to the Ontario Bond Corporation Limited, on 100,000 shares of the Rognon Gold Mines stock.

The Special Guarantee Feature in connection with the Rognon Guaranteed Stock is set forth in the prospectus as follows:

"It has been said that fifteen years is the average life of a mine and hence the Directors of the Company have approved of arrangements made with the Imperial Trusts Company for the establishment of a fund whereby all shares of Rognon Gold Mines, Limited, now being offered for sale, will be re-purchased by the Trust Company at \$1.00 per share at the end of fifteen years from the date of purchase, upon the conditions and subject to the terms set out on the share certificate over the signature of the Trust Company, which endorsement above referred to will read as follows:—"

### Guarantee.

"The Imperial Trusts Company of Canada, in consideration of a sum of money, but subject to the condition herein providing for the termination of this Guarantee, hereby promises and agrees on the surrender to it of this certificate by the legal owner thereof at any time after fifteen years from the date of the issue of such certificate to pay for the same \$1.00 per share in cash."

"The above guarantee shall cease to be binding in respect of any share on which dividends totalling 100 per share have been paid by the Mining Company prior to the surrender of such share to the Trust Company as above."

"The above guarantee shall also cease to be binding if prior to the surrender of such share to the Trust Company, the shares of the said Rognon Gold Mines, Limited, have been listed on a recognized Mining or other Stock Exchange in Canada, and have for not less than fifteen consecutive days (not necessarily immediately preceding the surrender of the said shares) sold for not less than \$2.00 a share."

"It is expressly understood that no responsibility is assumed by the Trust Company for the payment of any interest or dividend in respect of the said shares, nor for anything in respect thereto except a herein expressly set out."

"And it is also distinctly understood and declared the Trust Company makes no representations in respect to the Mining Company or its prospects."

In accordance with the requirements of the Ontario Company's Act, information and documents disclosing all material facts in connection with a public flotation in the province of Ontario must be deposited for public inspection in the office of the Provincial Secretary. We have examined the documents

so deposited in connection with the Ontario Bond Corporation, Limited, and the Rognon Gold Mines Limited, and from these have secured the following information:

The Ontario Bond Corporation, Limited was incorporated May 20th, 1916, with a capital of \$40,000 in 4,000 shares of \$10 each, "to carry on a financial and mining business, and the buying, selling and dealing in shares, bonds, debentures and securities of all kinds."

The Rognon Gold Mines, Limited, is a new name for the Laurentian Consolidated Mines, Limited, the change having been made on May 2nd. The President of the former Company was C. A. Cartland, of Boston, Mass.

The most important contract, namely that between the Rognon Gold Mines, Limited, and the Imperial Trusts Company, is evidently omitted from the files of the Provincial Government, and no mention of it is made in the statutory information given in connection with the prospectus.

The promotion of both these companies represents many new features in mine promotion, and in the interest of the public, deserves a careful examination by the Attorney General's Department for the Province of Ontario and the Post Office Department at Ottawa.

The effort to drag in so many respectable features of this country's institution such as bond companies and trust companies for the purpose of raising a few thousand dollars to develop a "bonanza" property, which, if what the promoters have to say about it is true, any business man would be glad to supply, is in itself questionable. Furthermore, the promoters of the Rognon Gold Mines, Limited have already appropriated to themselves two million dollars of the stock out of the two million and a half millions authorized. They now offer the public one hundred thousand dollars which would mean that for every \$21 of profit earned by the Company, \$20 would go to the promoters and \$1 to the public, whom they are asking to supply the money for development. Under these circumstances the promoters should provide a fair portion of the capital for development.

There is another feature of these promotions which deserves the attention of the authorities, namely the promoter who seems to be behind them. According to the salesman in charge at the Ontario Bond Corporation office, Mr. A. G. Penman is the originator of these promotion schemes. This is not the first time that Mr. Penman attempted company promotion in Canada, as the following, taken from the Canadian Mining Journal, October 15th, 1907, will show:

"It was in the early spring of this year that Arthur G. Penman, Managing Director of Penman Spragg Limited, Toronto, organized a syndicate to purchase a mining property in the district of Nipissing, Province of Ontario. The name authorized for the Company was the Cobalt Silver Mountain Mining Company."

"Apparently Mr. Penman's imagination and his sense of social discrimination were the only qualities brought into play in these preliminaries. Neither common sense, business acumen, nor every-day honesty was evident in the handling and flotation of the Company."

"The syndicate was formed, the company was organized and shares were sold on the understanding that nineteen acres of favorably situated mining lands were to be the property of the Company. It presently developed however, that only eleven acres could be patented. Suit was entered by the Company for the recovery of part of the purchase price. The suit is still dragging on. Money sorely needed to explore the eleven acres has been, preforce, applied to legal expenses. The position of the Company financially is practically hopeless."

"Superficially this might appear to call for sympathy. Actually it is an example of a typical mining swindle dyeing a natural death. A plausible and unscrupulous youth who certainly knew what he was doing, and whose only aim was to sell the public a doubtful mining claim, at an unreasonable figure, induced a number of citizens to help him form a syndicate. The prospectus is fraudulent and the whole method of flotation was designed to enrich Mr. Penman and his associates. The latter may have been victims of Mr. Penman's wiles; but in effect, and in law they are his confederates."

"The net results of the promotion of the Cobalt Silver Mountain Mining Company are that the syndicate is out the purchase price of the areas, and that the property has never, and probably never will under the present regime, ship a carload of ore. It has on its hands a costly law suit, eleven acres of mining claims and a reputation that needs disinfecting."



# COMMODITY MARKETS

## Week's Wholesale Review

Wholesale business is moving in satisfactory volume for the season, and although high prices and shortage in many lines are adverse factors the year's business so far is footing up considerably larger than the corresponding period last year in both volume and value of sales. There is no doubt but that the industrial towns of Eastern Canada are in good shape. Manufacturing plants are generally busy and wages are high, so that merchants are buying heavily to fill their depleted stocks. Conditions in the West are also much improved and travellers' reports from that territory are steadily better. It is estimated that the acreage sown to wheat is about eleven per cent less than last year, but it is some twelve percent greater than in 1914, and although the season is from two weeks to a month late growth has been rapid and the grain is well advanced. The acreage sown to oats and barley is greater than last year.

The country and dairy produce trades are very busy, and prices are generally higher than a year ago. The export cheese trade is brisk, while the butter market is very active. Eggs are also in brisk demand. Potatoes have been scarce but supplies are now coming in from the West, and new varieties are coming forward in good volume. The hay crop of Quebec is in excellent condition, as also the fruit crop of Eastern Canada, but grain crops have been retarded by the wet weather.

Referring to Western trade conditions Dun's Review states that: "In the Far West and Northwest business transactions continue satisfactory in volume and the tendency generally is toward further improvement. Winnipeg reports a brisk movement in most staple lines, notably in dry goods, clothing, footwear, furnishings, hardware, groceries and provisions, with sales showing steady expansion in spite of the high prevailing prices. Jobbers at Saskatoon report an active demand for seasonable merchandise and merchants generally optimistic because of the favorable progress of the crop. Trade conditions at Calgary show material improvement as compared with this time last year, jobbing demand being well sustained and retail sales well above the average for this period. There is a normal volume of business in the principal lines at Regina, and both wholesale and retail merchants report prospects for the future as excellent. Reports from Edmonton continue generally satisfactory, jobbing sales being well up to the average, and the outlook much more encouraging than at this time last year."

Commercial failures in the Dominion of Canada last week numbered 21 as against 27 last week and 54 the same week last year.

### SAUERBECK'S INDEX FIGURE AGAIN ADVANCED.

The "Statist's" index figure of commodities for the end of May, a continuation of Sauerbeck's figure, is 135.4, according to a cable to the Journal of Commerce, of New York. Compared with 134.2 for April the advance is 1.2 points. At the end of May, 1915 the number was 107.2.

While foodstuffs rose 8.1 points to 133.9 during May, a decline of .1 occurred in materials, from 136.7 to 136.6. Comparison of the prices of the various classes shows that last month vegetable foods, such as corn, etc., dropped 4.8 points to 128.4, and minerals fell off 2.5 to 157.0. The rise in May extended to all other groups. The advance in animal food was 12.5 points to 165.6; in sugar, coffee and tea, 2.2 to 89.3; in textiles, .8 to 119.8, and in sundries, .7 to 135.9.

The price of silver during the month of May declined 2 1/4 d. with the average price at 32 3/4 d. The silver index number for May is 54.0, compared with 57.7 for the previous month.

### PERSONALS.

Mr. W. W. Hutchison, vice-president of the Lake of the Woods Milling Company, Limited, has just returned from an extensive tour of the West. Mr. Hutchison reports good crop conditions in the spring wheat area, and ahead of last year at this period. He, however, confirms the official reports that this year's crop prospects are for a decrease of about 15 per cent.

## COUNTRY PRODUCE.

**EGGS:** There is nothing special to report as regards eggs this week. The market is strong, with a fair demand for export, and prices are ruling a little firmer at country buying points. The demand in the city is good, and with prospects of orders for export it looks as if firm prices would be maintained from this time forward. Receipts of eggs at Montreal continue good, showing very little change from last week. Dealers are still storing eggs, as owing to the cool weather, the quality is keeping up remarkably. A great many eggs are arriving from Prince Edward Island, of which the quality is much better this season than heretofore on account of the poultry now being fed with grain instead of fish. It is generally expected, however, that with warm weather prices of storing eggs in the country will be lower. To-day the general price is 23c to 24c f.o.b.

**POULTRY:** Deliveries of live poultry are fairly large, particularly on old broilers, ducklings, old fowls, and old turkeys. Owing to the scarcity of cold refrigerator poultry, fresh poultry is meeting with a quick sale at good prices.

**MAPLE PRODUCTS:** During the past week dealers report considerable quantity of sugar offering from country points, which is evidence of the fact that there is not a very good export demand, as United States enquiry is hampered by the duty on sugar. Most of the sugar is coming from Beauce County as the Townships sugar is pretty well cleaned up.

**BEANS:** The market during the past week showed a firmer tendency. It is reported that the quantity of beans being held at present is very much less than last year, and we may consequently see a very much higher market before the new crop arrives.

**POTATOES:** As offerings of potatoes are not large a good trade continues to be done at firmly maintained prices.

Eggs:—	
Special New Laid	0.30
Extras	0.27
No. 1	0.25
Poultry:—	
Poultry—Live:	
	per pound.
Fowl, 5 lbs. and over	0.20 0.23
Fowl, small	0.18 0.19
Turkeys, cocks	0.21 0.22
Do., hens	0.22 0.23
Fresh Killed Poultry:	
Turkey, cocks	0.25 0.27
Do., hens	0.28 0.30
Chickens	0.23 0.24
Fowls, hens	0.24 0.25
Do., roosters	0.21 0.22
Broilers, 2 1/2 to 3 lbs. per pair	1.00
Do., 2 to 2 1/4 lbs.	0.75
Frozen stock:—	
Turkeys	0.29 0.30
Fowls, large	0.22 0.23
Fowls, small	0.20 0.21
Ducks	0.25 0.26
Geese	0.16 0.17
Roasting chickens, ord.	0.23 0.25
Chickens, milk fed	0.27 0.28
Capons	0.29 0.30
Spring broilers, dressed, pair	1.20 1.50
Squabs	0.65 0.75
Squabs, Phila., pr.	0.85
Maple Products:—	
Pure maple syrup, 8-lb. tins	0.85 0.90
Pure maple spruy, 9 lb. tins	1.00 1.10
Extra choice syrup, 13-lb. tins	1.40 1.50
Pure maple sugar, per lb.	0.12 0.14
Honey:—	
White clover, in comb	0.15 0.15 1/2
Brown clover, in comb	0.12 0.13
White extracted	0.12 0.13
Brown extracted	0.10 0.11
Buckwheat honey	0.09 0.10
Beans:—	
Can. hand-picked, car lots	5.15 5.25
Five-lb. pickers	4.65 4.75
Seven-lb. pickers	4.00 4.30
Potatoes:—	
Green Mountains, per bag, car lots	1.95 2.00
Do., Quebec	1.85 1.90
Job lots, ex store, per bag	2.10 2.15

## DAIRY PRODUCE.

**BUTTER:** Prices of butter showed a slight increase over last week. A larger proportion of the milk is going into cheese manufacture this year, as factorymen consider it a more paying proposition at present prices for cheese. They figure that cheese at 16 1/2 c is equal to butter at 35c. There was a certain amount of export demand last week, but prices were too high to do a very large business. Refrigerator space is also very difficult to obtain. Nevertheless the export trade at the present time is very fair, and many dealers who are desirous of storing some June butter, find they have to maintain present prices to get any stock delivered, as otherwise the export demand would take it off the market. Thus the outlook for butter is that while there may be a heavier make than in former years it will all be required, as most of the exporters are looking forward to doing considerable business within the next month.

**CHEESE:** A quiet feeling prevails in the cheese market, largely owing to the Government agents having stopped buying. The market has firmed up considerably, and although advances are slight, prices are steady. The rennet shortage is forming an important factor in the situation, and efforts are being made to use substitutes as much as possible. This year's make is now assuming larger proportions as the season advances. Prospects for export are good as the English production is considerably curtailed, and Canada is bound to be called upon to make up her share of the deficit. Supplies in England are ample for the time being, however, as good quantities have arrived or are on the way from New Zealand.

Current quotations follow:

Butter:—	
Fresh creamery, solids	0.29 0.29 1/2
Do., prints, country made	0.29 1/2 0.28 3/4
Seconds	0.26 1/4
Dairy butter	0.22 0.23
City Selling Prices to grocers:	
Choice Creamery Solids	0.30 0.31
Do., Prints, city cut	0.30 1/2 0.31 1/2
Do., Prints	0.31
No. 2 Creamery Solids	0.29
Do., Prints	0.29
Choice Dairy Prints	0.27 0.28
Do., rolls	0.27
Cooking butter	0.25 0.26
Cheese:—	
Finest Western	0.17 0.17 1/4
Finest Eastern	0.16 1/4 0.16 1/2
Fine Cheese	0.15 3/4 0.16
Undergrades	0.14 0.14 1/2

### RECEIPTS OF BUTTER, CHEESE & EGGS.

The following table shows the receipts of butter, cheese and eggs in Montreal for the week ending June 17th, 1916, with comparisons:

	Butter,	Cheese,	Eggs,
	pkgs.	boxes.	cases.
Week end. June 17, 1916	15,442	87,267	20,213
Week end. June 10, 1916	16,138	82,749	17,336
Week end. June 19, 1915	12,324	76,737	21,101
Total receipts, May 1st to date, season 1916	78,785	427,423	137,207
Total receipts, May 1st to date, season 1915	85,979	443,670	141,351

### DRIED FRUITS.

As far as the apricot situation is concerned, the struggle for supremacy between the packers and growers has reached a deadlock. The growers are holding out for a minimum price of 15c, which packers have flatly refused to consider. Peaches are gradually being drawn into the apricot struggle. Prunes are steady. Currants are only quoted at prohibitive prices, which is checking the demand. Prices for seedless raisins will be named in three or four weeks from now, and an advance in price is expected.

The French purchasing commission has placed an order with several Kentucky tobacco companies for 23,400,000 pounds of leaf tobacco. The entire purchase, amounting to approximately 150,000 hogsheads, will be forwarded during July.

The wool sales at Sydney, N.S.W., opened very strong on June 13, under vigorous buying. Prices advanced from 5 to 15 per cent over the last series.

Probably the first sale of new Ontario wheat was registered on the Toronto market, on June 13. One car was sold for August-September delivery and brought \$1.00 per bushel.

The total movement of gold from Canada to the United States in the present movement had amounted to \$57,546,000 on June 16.



**LIVE STOCK.**

**MONTREAL:** Receipts at both live stock sales last week amounted to 1,000 cattle, 1,850 sheep and lambs, 2,800 hogs, and 3,200 calves. As these offerings were quite insufficient for the active demand from the buyers for good quality stock prices advanced sharply. There were practically no choice steers on the market, but dealers are of the opinion that had there been any very good stock offering they would easily have brought \$10.00 to \$10.25, which would have been an advance of 75c over the previous week. As it was, the best offerings sold from \$9.50 to \$9.75. Grass cattle is expected to arrive this present week, when a very firm market is expected. The price of live hogs fluctuated considerably, but closed with a 25c decline from the previous week. Supplies were small, and the demand good. Sheep were weaker, prices being down a dollar. The demand was very good at the lower level. Spring lambs met with a ready sale at unchanged prices. Calves were strong and prices very firm. As local demand is good and export enquiry active there is a very steady undertone to the market.

**TORONTO:** Receipts at the Union Stock Yards on Monday last were 445 cattle, 180 calves, 206 hogs and 668 cheep and lambs. Unusual strength was shown in the cattle market when the exceptionally high figure of \$10.35 was reached for choice heavy steers. The demand was very brisk throughout the sale, and prices advanced 10c to 20c over last week's closing figures. The quality is reported excellent in some cases. Hogs were in good demand at unchanged prices.

Total receipts on Tuesday were 763 cattle, 234 calves, 924 hogs, 306 sheep. Prices of cattle advanced 10c a cwt. over Monday, and a total of 60c over the corresponding sale of the previous week. On the whole supplies were light in all lines, and prices in many cases made records. The run of calves was also very light, and in consequence the demand was keen and all offerings were snapped up immediately. Spring lambs were firmly maintained at an advance of 1/2c a pound over the previous week. Sheep and yearlings were in good demand at unchanged prices. Hogs were very high, \$11.00 to \$11.10 being paid. The appearance of outside buyers caused this sharp advance in price.

Quotations for round lots were as follows:—  
Per cwt.

	Montreal.		Toronto.	
Butcher steers, best	9.75	10.25	9.50	10.20
Do., good	9.50	9.75	9.10	9.50
Do., fair	8.50	9.00	8.60	9.10
Do., medium	7.50	7.75	8.00	8.60
Do., rough	7.50	8.00	7.50	8.00
Butcher bulls, best	7.75	8.25	8.00	8.75
Do., good	6.50	7.00	7.00	8.00
Do., medium	5.25	6.25	7.00	7.50
Canning bulls	3.75	4.50	6.00	6.50
Butcher cows, best	7.00	8.25	7.85	8.65
Do., good	5.75	6.75	7.25	7.75
Do., medium	5.00	5.75	6.50	7.22
Do., common	4.00	4.75	5.75	6.50
Sheep	7.25	8.00	8.50	10.50
Spring lambs, each	4.50	8.00	8.00	10.00
Hogs, selects, weighed				
off cars	11.25	11.50	10.75	11.10
Do., roughs and mixed lots	11.00	11.25	10.15	10.50
Calves, choice	8.00	9.00	10.00	12.50
Do., medium	6.00	7.50	7.50	10.00

**BRITISH WOOL CLIP BOUGHT UP.**

The British Government has announced that the purchase of the entire wool clip of the United Kingdom for 1916 is under consideration. This announcement follows the action of a few days ago when the purchase or sale of wool grown in the United Kingdom on private account was prohibited, and is understood to be the result of the information gained from the census of wool stocks in the Kingdom taken early in the month. In the meantime all Provincial wool auctions have been indefinitely postponed.

The action is interpreted by wool men in this country as the answer of the officials of the War Office to the attempt on the part of Bradford and London dealers to corner the market. Prices have steadily advanced at recent London sales and as only a comparatively small amount of the Australian clip remains to come on the market the situation was serious. The first intimation of action on the part of the Government was when the Australian embargo was declared a few weeks ago, and the Sydney and Brisbane sales postponed, presumably acting on the advice of the Home Authorities. The action should result in easier prices, now that the Bradford influence has been obviated.

**CANADA'S GRAIN ACREAGE.**

**Wheat Area 11.5 per cent. less than 1915, and 11.6 per cent greater than 1914, According to Government Estimate.**

The preliminary estimate of acreage of Canadian grain crop as compiled by the Census and Statistics Office, has just been issued, and shows that wheat this year will occupy a total area some 11.5 per cent below the high record of last year, but about 11.6 per cent better than in 1914.

Wheat this year will occupy a total area of 11,491,600 acres. This is 1,494,800 acres, or 11.5 per cent below the high record of last year, when 12,986,400 acres were harvested, but 1,197,700 acres, or 11.6 per cent above the harvested area of 1914, which was 10,293,900 acres. The area to be harvested of fall wheat for 1916 is 1,042,200 acres, leaving the area estimated to be sown to spring wheat at 10,449,200 acres.

In the three Northwest provinces the area sown to wheat is estimated at 10,471,200 acres, as compared with 11,744,700 acres, the area of 1915, and with 9,335,400 acres, the harvested wheat area in the Northwest provinces for 1914.

In Manitoba the area sown to wheat for 1916 is placed at 2,904,400 acres, as compared with 3,342,900 acres last year; in Saskatchewan it is 5,889,100 acres, as against 6,838,100 acres, and in Alberta 1,677,700 acres, as against 1,563,700 acres.

Oats.—It is estimated that the area devoted to oats for 1916 is 10,499,500 acres, as compared with 11,365,000 acres in 1915. This is a diminution of 865,500 acres, or 7.6 per cent, as compared with last year, but an increase of 438,000 acres, or 4.3 per cent, as compared with 10,061,500 acres, the area harvested in 1914. The area sown to barley is estimated at 1,317,500 acres, as against 1,509,350 acres last year.

Other Grains.—The areas sown to other grain crops were as follows: Rye, 109,000 acres, against 112,300 acres; peas, 159,200 acres, against 196,210 acres; mixed grains, 395,000 acres, against 466,800 acres. The acreage under hay and clover is reported as 7,963,000, as against 7,875,000 last year, an increase of 88,000 acres, and under alfalfa the acreage is 88,700, as against 92,600 last year.

Condition.—Measured in percentage of a standard of 100 as representing a full crop, the condition of the principal field crops on May 31 was as follows:

Fall wheat, 84; spring wheat, 92; all wheat, 90; oats, 90; barley, 89; rye, 91; peas, 90; mixed grains, 89; hay and clover, 98; alfalfa, 94; pastures, 97. Converting this scale into one wherein 100 represents the average condition at May 31 of the past six years 1910-1915, the condition of the principal grain crops may be expressed as follows: Fall wheat, 101; spring wheat, 98; rye, 100; oats, 97, and barley, 97.

The reports show that the spring this year is late, and that heavy rains throughout the Dominion have in many places made it difficult to work the land. In Eastern Canada seeding at the end of May was considerably behind-hand, especially as compared with last year; and in parts of the West the sowing of oats and barley had not been completed.

**GASOLINE LIKELY TO GO LOWER.**

An inquiry is being held by the Federal Trade Commission at Washington to investigate the condition of the gasoline market. From the evidence elicited, the general opinion is that gasoline has reached its highest point for the time being, and that from now on there is likely to be a reduction in the retail price. It was declared that a fall in price may be looked for at any time. The over-production of crude oil which brought about the low price of gasoline more than a year ago is about to be experienced again. The high rates prevailing during the last few months has stimulated the production which in turn should result in a repetition of last year's conditions. Independent jobbers and refiners who appeared before the Commission were virtually unanimous in placing responsibility for the increases on the Standard Oil Company. They charge it refused to compete, and that it had forced up the price.

Following the example of England, Germany, Italy and the Scandinavian countries, all clocks in France were set forward one hour at eleven o'clock on June 14th, in accordance with the daylight-saving bill. The new method of calculating time will be continued until October 1.

**FLOUR, CEREALS AND MILLFEED.**

The wheat market continues in a very weak condition, which has resulted in a drop in price of 20c per barrel in all grades of flour; first patents being quoted at \$6.60, seconds at \$6.10, and strong bakers at \$5.90. Domestic business in flour is fair. The export trade is very quiet, as foreign freight rates on flour have not declined in proportion to the rates on wheat. For example, 9s. per qr., or 45c per 100 lbs. is being asked for wheat to the United Kingdom, while the rates for flour remain at 80c per 100 lbs. Naturally Canadian millers can hardly compete with the English mills on these terms.

The winter wheat flour crop is coming on very satisfactorily. It is still too soon to predict, but the general opinion in the trade is to the effect that the cold, backward spring weather this year will make the harvest late in comparison with last year. However, this cool weather will tend to offset the damage caused by the heaving of the ground, which injures the roots of the plant. The demand is steady, but buyers are hesitating as to the advisability of carrying large stocks as this year's flour contains an excessive quantity of moisture.

Millfeed continues in fair demand considering the excellent condition of the pastures. A further decline of \$1 per ton was noted last week.

Current quotations follow:

	Montreal.		Toronto.	
<b>Flour:—</b>				
First patents, per bbl., in bags	6.60	6.60	6.70	6.70
Second patents, do.	6.00	6.00	6.00	6.10
Strong clears, do.	5.90	6.00	5.80	6.10
30c per bbl. more in wood.				
<b>Winter wheat flour—</b>				
Fancy Patents	6.00	6.25	5.85	6.10
90 per cent in wood	5.30	5.40	5.60	5.80
90 per cent in bags	2.40	2.50	2.70	2.75
<b>Cereals:—</b>				
Cornmeal, yellow, in per bag, 98 lbs.	2.50		2.50	
Rolled oats, per bbl., in wood	5.10	5.20		
per bag, 90 lbs.	2.40	2.45		2.60
Rolled wheat, 100 lb. bbl.	4.00		4.00	
Rye flour, 98 lb. bag	2.65	2.80		2.80
Graham flour, 98 lb.				2.75
Barley pot., 98 lbs.	3.00			3.00
Barley, Pearl, 98 lbs.	4.50	4.20		4.40
Whole wheat flour, 98 lbs.				3.00
<b>Feeds:—</b>				
Middlings, per ton	25.00	27.00	25.00	26.00
Shorts, per ton	24.00			25.00
Feed flour, per ton	1.65			1.65
<b>Mouille, pure grain</b>				
grades, per ton	31.00	32.00		
Do., mixed	27.00	29.00		
Barley feed, per ton		32.00		
Do., meal, per ton		32.00		
Crushed oats, 80 lbs.	1.70			
Reground oatmeal feed, per ton		19.00		

**MONTREAL PRODUCE RECEIPTS.**

The receipts of the principal commodities at Montreal for the past two weeks follows:

	Week end- June 17,	Week end- June 10.
Wheat, bushels	2,286,654	1,389,476
Oats, bushels	563,675	646,303
Barley, bushels	35,892	153,889
Flour, barrels	188,941	173,702
Eggs, cases	20,213	16,696
Butter, packages	15,442	16,138
Cheese, boxes	87,267	82,749
Potatoes, bags	11,769	13,743
Hay, bales	43,882	27,510

**NEW POSTAL REGULATIONS.**

The Post Office Department has received information that gifts sent from Canada to soldiers from Canada serving in British regiments stationed in Great Britain, and to naval reservists and others from Canada serving in the navy, are exempt from customs duty, provided they are addressed in care of the Canadian War Contingent Association, Army Post Office, London, England.

Arrangements have been made for this association to act as a central authority for the distribution of such parcels from Canada, and free customs entry is restricted to such parcels as are sent through the association.

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



## Western Canada Power Company Limited

Montreal, Canada,  
June 12th, 1916.

To the Shareholders of

Western Canada Power Company, Limited:—

The Balance Sheet of your Company for the year ending December 31st, 1915, is herewith enclosed.

The Gross Earnings of the Company for the year were \$316,554.16, and the Operating Expenses were \$89,626.69; leaving a credit balance of \$226,927.47, which was insufficient to meet the interest on the First Mortgage Bonds, which amounted to \$250,000; while interest on the Refunding Mortgage Bonds of the Company and interest payable on current account were not earned by the Company.

The loans to the Company secured by pledges on its First Mortgage Bonds and the other net current liabilities of this Company amounted to nearly \$550,000. The Company will require, in addition, \$100,000 to instal the third generating unit.

In June, 1915, the President of the Company sought permission of the British Treasury Board to make a public issue of the Company's Securities in London; but, owing to the decision of the British Government to utilize in the prosecution of the War, all available financial resources of the British people, this request was refused.

Unsuccessful efforts were then made by the Directors of this Company to effect a compromise with the Committee representing the holders of the First Mortgage Bonds.

Subsequently a Noteholders' Protective Committee in New York City, representing the holders of the Notes, which are secured by the Refunding Mortgage Bonds of the Company, was able to effect a compromise with the Committee representing the holders of the First Mortgage Bonds, whereby it is proposed among other things:—

1st. That the holders of the First Mortgage Bonds will convert Two Years' Interest Coupons, amounting to \$500,000, into Debentures of the Company, payable in Ten Years, with interest at the rate of Seven per cent. per annum; and

2nd. That the holders of the Notes, secured by Refunding Mortgage Bonds, will procure these Bonds to be converted into Ordinary Shares of the Company, and thereupon cancelled; and

3rd. That an issue of Preferred Shares shall be made and sold to realize sufficient to pay off all current liabilities of the Company, and to provide sufficient funds for the installation of a third Generating Unit in the Company's Power House at Stave Falls.

In order to carry out the terms of this compromise, and to avoid the sale of the Company's properties in foreclosure proceedings, it is necessary that the holders of the \$2,495,000 par value of the shares of the Company, now issued to the public, should subscribe for a sufficient number of the proposed new issue of Preferred Shares to realize \$374,240 in cash.

It is, therefore, proposed, at the ensuing Annual Meeting of the Company, to enact By-laws reducing the paid-up Capital of the Company from \$5,000,000 to \$1,000,000; and to issue to each Shareholder One fully paid share for each lot of Five fully paid shares, now held by him.

The Noteholders' Protective Committee, above mentioned, have procured the formation of a syndicate in New York City, which will underwrite an issue of at least \$850,000 of Preferred Shares; and the Noteholders' Protective Committee will offer these Preferred Shares to Noteholders and to the Shareholders of this Company at the price of \$80 per share.

Each Shareholder is requested, for each lot of Five shares now held by him, to subscribe for at least Two new Preferred Shares of the par value of \$100 each, and to pay therefor \$80 per share in cash; and, upon such payment being made, each Shareholder, in addition to receiving, out of the reduced Capital Stock of the Company, one share in Five of his present holdings, will, in case the issue of Preferred Shares is not over-subscribed, receive from the Noteholders' Protective Committee Four additional fully paid Ordinary Shares of the Company for every Two Preferred Shares allotted to him. Subscriptions must be received on or before July 15th, 1916.

In other words, in case the issue of Preferred Shares is not over-subscribed, a present holder of Five Ordinary Shares of the Company, who subscribes and pays for at least Two Preferred Shares, on the terms mentioned above, will, in the reconstruction of the Company, obtain the same number of Ordinary Shares as he now holds.

If this scheme of reconstruction, which has been underwritten by the New York Syndicate, is successfully carried out, the Capital of the Company will be adjusted approximately as follows:—

	Present Capital.	Proposed Capital.
First Mortgage Bonds	\$5,000,000	\$5,000,000
Refunding Bonds	4,000,000	None
Debenture Bonds	None	500,000
Preferred Shares	None	\$50,000
Ordinary Shares—		
Held by Public	2,495,000	5,000,000
Pledged to Noteholders	2,505,000	None
	\$14,000,000	\$11,350,000

The Company, which now has \$9,000,000 of Mortgage Bonds of both classes outstanding, will, after its reconstruction as proposed, have only \$5,000,000 First Mortgage Bonds outstanding; the Refunding Mortgage Bonds being converted into Ordinary Shares. There will be \$5,000,000 of Ordinary Shares as at present; and the \$850,000 of Preferred Shares and \$500,000 of Debentures will largely represent additional moneys subscribed and paid into the Treasury of the Company. These figures are estimated to be approximately correct, but may be changed in case the issue of Preferred Shares is over-subscribed.

In order to carry out the proposed changes, it is necessary that each Shareholder, who cannot be present in person, at the Annual Meeting of Shareholders, on Saturday, July 15th, 1916, should send in his proxy at once, authorizing all By-laws to be enacted, and all resolutions to be passed, which may be deemed convenient for carrying through the proposed reconstruction.

And each Shareholder, for each Five shares now held by him, should immediately subscribe for at least Two new Preferred Shares on the terms of the subscription agreement of which the Noteholders' Protective Committee has approved. Subscriptions will be received for not less than One Preferred Share.

If a sufficient number of Preferred Shares are not subscribed for by the Shareholders, viz:—\$467,800 in par value of Preferred Shares at \$80 per share, it will probably be necessary for the Company to transfer its properties to the representatives of the two classes of Bondholders, or else to allow the Trustees for the Bondholders to foreclose their mortgages and sell the properties of this Company for the benefit of its Bondholders; but, even in such case, the Noteholders' Protective Committee agree to permit the subscriptions for Preferred Shares of present Shareholders of this Company to be accepted, in like manner, as subscriptions for the Preferred and Ordinary Shares of the Capital Stock of the new Company which they propose to organize for the purpose of acquiring the properties and assets of this Company.

The Directors urgently recommend the Shareholders to subscribe for the New Preferred Shares to the extent of their financial means; it being understood that, in case of the proportion of Preferred Shares now offered to the present Shareholders, being over-subscribed, the Noteholders' Protective Committee may cut down the subscription of any Shareholder, to his due proportion; but, as some Shareholders may not be able to subscribe, all Shareholders are invited to subscribe for new Preferred Shares in excess of their due proportion.

If this plan of reconstruction is successfully carried out, the Second Refunding Bonds of the Company will be cancelled; the current liabilities of the Company will be paid off; interest on the First Mortgage Bonds will be paid until January 1st, 1918; and the Company will have funds sufficient to

complete the installation of a third Generating Unit, and to carry on its business for two years.

On behalf of the Board of Directors,  
C. H. CAHAN,  
President.

### BALANCE SHEET.

AS AT 31ST DECEMBER, 1915.

ASSETS.		
Properties—Cost of Properties, Franchises and Works, including Discount on Bonds and Interest charged to Construction Account		\$11,063,483.45
Shares and Securities of other Companies		3,291,560.00
Materials and Supplies—		
Inventory of Stores on Hand	\$ 88,486.47	
Sales Department	3,329.77	
Prepaid on Contracts for Machinery	249,474.70	
Accounts Receivable—		341,290.94
General Accounts	58,589.42	
Less: Reserve for Doubtful Accounts	11,844.60	
Rentals Paid in Advance		46,744.82
Interest Paid in Advance		550.00
Cash on Hand and in Bank		145.83
Profit and Loss Account		28,788.22
		59,420.82
LIABILITIES.		\$14,831,984.08
Capital Stock—		
Authorized 100,000 shares of \$100 each	\$10,000,000.00	
Issued 50,000 shares of \$100 each		\$5,000,000.00
First Mortgage 5 per cent Bonds—		
Currency	\$4,428,500.00	
Sterling, £295,400	1,437,613.32	
	\$5,866,113.32	
Less: Bonds pledged as security for loans	866,500.00	
Refunding 5 per cent. Bonds		4,999,613.32
Loans (\$866,500.00 Bonds as above pledged as security)		4,000,000.00
Accounts Payable—		314,500.00
Sundry Accounts	\$ 262,583.16	
Customers' Deposits	1,660.94	
Interest Accrued on First Mortgage Bonds		264,244.10
Net Interest Due and Accrued on Refunding Bonds		125,000.00
Contingent Account		37,968.66
		30,660.00
		\$14,831,984.08

### PROFIT AND LOSS ACCOUNT.

FOR YEAR ENDING 31ST DECEMBER, 1915.

Balance—Brought forward from 1914	\$ 23,848.29
Operating Expenses, including Production and Distribution of Power and Light, General Expenses, Taxes, etc.	89,626.69
Interest on First Mortgage Bonds	250,000.00
Additional Reserve for Bad and Doubtful Debts	2,500.00
Additional Provision for Accident Claims, etc.	10,000.00
	\$375,974.98
Earnings—Sales of Power, Light and Rentals	\$316,554.16
Balance	59,420.82
	\$375,974.98

Montreal, February 18th, 1916.

We have examined and audited the Books and Accounts of the Western Canada Power Company, Limited, for the year ending 31st December, 1915.

As the further development, to provide for which the Refunding Bonds were issued, is not yet completed, the interest on these Bonds has been charged to cost of construction of Properties. No provision has yet been made for depreciation of Plant and Machinery.

Inventories of Materials and Supplies on hand have been certified by the Management and accepted by us as correct.

We have obtained all the information and explanations we have required, and we certify that, in our opinion, the above Balance Sheet is properly drawn up so as to exhibit a true and correct view of the Company's affairs as shown by the Books on the date hereof.

(Signed) RIDDELL, STEAD, GRAHAM & HUTCHISON,  
Chartered Accountants.

## Western Canada Power Company, Limited

### Notice to Shareholders

NOTICE IS HEREBY GIVEN that the Annual General Meeting of the Shareholders of Western Canada Power Company, Limited, will be held at the office of the Company, No. 1002 Transportation Building, in the City of Montreal, Canada, on Saturday, July 15th, 1916, at the hour of Eleven o'clock in the forenoon, for the purpose of receiving the Annual Report of the Board of Directors; the election of Directors and other Officers to hold office during the ensuing year, or until their successors are elected; and to transact such other business as may properly be brought before the Meeting.

NOTICE IS ALSO HEREBY GIVEN that a Special General Meeting of the Shareholders of Western Canada Power Company, Limited, will be held at the same place and on the same day, at the hour of Eleven-thirty o'clock in the forenoon, or so soon thereafter as the Annual General Meeting of the Shareholders may adjourn, for the purpose of considering, and, if deemed advisable, confirming and sanctioning By-law No. 56, which was enacted by the Board of Directors on the 12th day of June, 1916, and which said By-law reads as follows:—

**BY-LAW NO. 56.**  
WHEREAS the authorized Capital Stock of Western Canada Power Company, Limited, is Ten Million Dollars (\$10,000,000), divided into One hundred thousand (100,000) shares of One hundred dollars (\$100) each;

AND WHEREAS the Company has issued and allotted Fifty thousand (50,000) of its Ordinary Shares, of One hundred dollars (\$100) each; and no more; and the amount of Five Million Dollars (\$5,000,000) has been paid up thereon;

AND WHEREAS the Company has not yet completed the construction of its hydro-electric works; and can only obtain additional capital, and thereby avoid the winding-up of its business and affairs, by reconstructing its capital on the basis herein provided;

AND WHEREAS approximately Four Million Dollars (\$4,000,000) of the paid-up capital of the Company is unrepresented by available assets;

AND WHEREAS for the due carrying on of the undertaking of the Company, the Directors of the Company consider it advisable and sufficient to make a By-law reducing the authorized capital stock of the Company to the amount of Six Million Dollars (\$6,000,000), consisting of Sixty thousand (60,000) shares of One hundred dollars (\$100) each; and reducing the paid-up capital stock of the Company to the amount of One Million Dollars (\$1,000,000), consisting of Ten thousand (10,000) shares of One hundred dollars (\$100) each;

NOW, THEREFORE, be it enacted and it is hereby enacted as a By-law of the Company as follows, that is to say:—

1. That the authorized capital stock of the Company be and the same is hereby reduced from the amount of Ten Million Dollars (\$10,000,000) to the amount of Six Million Dollars (\$6,000,000), consisting of Sixty thousand (60,000) Shares of One hundred dollars (\$100) each; and that the paid-up capital stock of the Company be and the same is hereby reduced from the amount of Five Million Dollars (\$5,000,000) to the amount of One Million Dollars (\$1,000,000), consisting of Ten thousand (10,000) shares of One hundred (\$100) each; and that such reduction be effected by cancelling Forty thousand (40,000) shares of the paid-up capital stock of the Company of One hundred dollars (\$100) each.

2. That Ten thousand (10,000) shares of One hundred dollars (\$100) each, of the reduced capital stock of the Company, be issued and allotted as fully paid in the amount and proportion following:—

One (1) Ordinary share of the reduced capital of One hundred dollars (\$100) to each holder of Ordinary shares of the Company now issued and outstanding in respect of and for every Five (5) Ordinary shares of the capital stock of the Company now held by such holder.

3. That the remaining Fifty thousand (50,000) shares of One hundred dollars (\$100) each of the reduced capital stock of the Company be issued and allotted in such amount and proportion as the Directors of the Company may deem proper for the benefit of the Company;

AND also to authorize the Directors of the Company, in case the Shareholders fail to confirm and sanction the foregoing By-law, or fail to subscribe for a sufficient number of the proposed new issue of Preferred Shares, to furnish the moneys required for the due carrying on of the undertaking of the Company, then, in either such case, to authorize the Directors of the Company to sell, transfer and convey all the undertaking, properties and business of the Company, subject to the existing mortgages, for an amount sufficient to pay off the current liabilities of the Company;

And for the transaction of such other business as may properly come before the meeting.

By order of the Board of Directors, O. B. MACCALLUM,  
Secretary.

Montreal, P.Q., June 13th, 1916.

Please sign and return the enclosed proxy in the accompanying addressed envelope.

Do not omit to have your signature witnessed.

If shareholders resident in Great Britain will mail their proxies in care of Equitable Trust of London, Limited, 3 Lombard Street, London, E.C., they will, in order to avoid possible delay in the mails, be cabled from London to the Secretary of the Company at Montreal.



# Conditions in the West

**Warmer Weather Needed for Crops. Grain Held Up on Goose Lake Line will be Moved. Grain and Live Stock Markets.**

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

Winnipeg, June 15th, 1916.

There is not much to write about, with reference to crop conditions. The weather has been on the whole very good, and reports coming in from the country indicate that fair progress is being made, although practically every report states that warmer weather would be acceptable. Complaints as to cutworms are beginning to crop up again, but only from comparatively limited areas. On the whole the crop is well stooled and while it is short, a couple of weeks' hot weather would undoubtedly lengthen it out very speedily.

### The Grain Markets.

Markets during the week have been interesting, and on the whole have held very steady, especially in view of almost uniformly weak cables. During the past two days an active demand has developed among exporters for the cash grain. This is understood to be the filling of contracts made previously, although there is a little selling abroad also.

At the close of to-day's market, July wheat was 3% to 3½ lower than a week ago. October was 3% lower and December was 3% lower. One of the features of the week has been the taking off of spreads between Winnipeg and Chicago. Some weeks ago when Chicago July and Winnipeg July were nearly on a parity, there was a great deal of selling Chicago and buying Winnipeg. Now that there is a spread of from 5 to 6 cents between the two markets, Winnipeg being that much over Chicago, there has been liberal selling of Winnipeg to take the spread off. Another favorite spread has been to sell Chicago December, and buy Winnipeg.

Cash wheat prices in the past few days have run to about 4½ to 4¾ cents, c.i.f. Buffalo over the July, but as an offset the freight rate to Buffalo has advanced, and is firm at 3½.

### Ocean Freights Lower.

Ocean freights have again tumbled during the week, and at least one tramp was chartered at 13 cents, Montreal to Liverpool, and tramp steamers offered quite freely at 24 to 25 cents, while regular liners offered to take part cargoes at 26 to 27 cents.

### Death of Mr. Stemper.

Export circles were shocked this morning at the report of the death at New York of Henry A. Stemper, head of the Export Company of Grain Growers' Grain Company of Manitoba. Mr. Stemper came to Winnipeg for that Company in 1914, and is a member of the Winnipeg Exchange, but later he assisted in organizing the export as a subsidiary company, and since then he has resided in New York, and had full charge of the export business of the Grain Growers' Grain Company, which has been enormous in the past eighteen months.

Little is known of the accident, but it was evidently a collision between automobiles, and Mr. Stemper died at the hospital shortly after the accident, without regaining consciousness.

### Live Stock Markets.

The live stock markets have been really much more exciting than the wheat market during the

past week. Steers made the phenomenal price of \$10.40 per cwt., and for the first time in the history of the Western market, steers sold over selected hogs. \$10 per cwt. has been quite a common price for steers, and it looks as if these prices would be sustained for all winter fed cattle. Of course, grassers will soon come on the market, and they will be, no doubt, lower in price, but the outlook is general for very high prices. When a man comes into the city with ten steers and takes home with him \$1,233, he begins to think that there is something in the live stock business after all. Hogs have gone off a little in price, but are holding very steady at from \$9.50 to \$9.75.

### The Railway Commission.

As indicated in last week's report, there was an important sitting of the railway commission during the week. It was important, not only to live stock men, but to grain men also, as the question of the congestion on the various lines of the Canadian Northern Railway, but particularly the Goose Lake Section, was brought before the commission here, and the very heavy losses that would ensue if this grain was not got out before the end of July was pointed out; a loss of price, cost of storage, and loss in quality, particularly of the grain in storage bins, which amounts to over three million bushels. In all it was claimed that there were thirty million bushels of the old crop to be moved off the C. N. R. lines. Sir Henry Drayton ordered that further evidence be submitted to him at Saskatoon, and on the day following the Winnipeg Railway guaranteed to move seven hundred cars a day from now until the end of July. They stated that they had succeeded in arranging for an additional supply of cars from the other railroads. If they do not live up to this arrangement, the commission will order the grain to be delivered to the C. P. R. and G. T. P. at Saskatoon, in such quantities as will insure the old crop being marketed before the new crop comes in. It is the general opinion that the Canadian Northern Railway cannot move seven hundred cars a day, that they have not the motor power necessary to do this. However, there is a disposition on the part of the grain men, as well as on the part of the railway commission, to give them a chance to try.

The live stock men, through their council, made a very strong statement, protesting against the various additional freight rates that were being imposed upon them, and their statement was replied to by W. B. Lanigan, on behalf of the C. P. R. It could not be stated that Mr. Lanigan made out a very strong case for the railways. The live stock men had taken the precaution to bring in a number of witnesses from outside points, and they gave testimony to the effect that while they were being charged for the cleaning and disinfecting of cars, they were receiving dirty cars that had never been subjected to disinfection. Of course, no decision was reached here, as further hearings are to be held in Regina, Edmonton and Calgary, but at each point the live stock shippers are preparing to put up a vigorous fight, and it is quite probable that some concessions at least will be won from the railway commission.

## Empire Cotton Mills Welland, Ontario Limited

Manufacturers of

**Textiles, Sail Duck, Bag Cloths and Seamless Bags**

Write for Quotations

### GRAIN AT THE HEAD OF LAKES.

Fort William, June 17, 1916.

Statement of stocks in store in terminal elevators at Fort William and Port Arthur on June 16, 1916, with receipts and shipments during the week.

Elevator.	Wheat.	Oats.	Barley.	Flax.
C. P. R. . . .	1,919,038	345,861	91,139	.....
Emp. and Th. Bay ..	1,087,700	196,279	49,201	202,447
Consolidated	1,026,275	149,054	47,924	170,585
Ogilvie ..	1,250,161	57,586	29,954	.....
Western ..	1,087,122	164,300	12,989	236,075
Grain				
Growers ..	1,534,902	347,915	36,505	.....
Ft. William	457,602	208,483	49,751	27,619
Eastern ..	534,231	100,173	37,661	.....
G. T. P. ..	1,773,294	266,603	53,107	141,345
C.N.R. ...	2,429,716	637,961	185,583	175,482
Horns ..	168,894	70,225	22,387	206,175
Can. Govt. .	1,686,431	373,269	55,946	120,630
Total ..	14,949,372	2,917,714	672,151	1,280,360
Year ago	2,731,487	1,135,213	168,874	1,457,161

Receipts ..	5,441,881	2,094,160	86,811	164,652
Ship. Lake	4,259,458	2,578,248	58,843	62,625
Ship. Rail..	64,237	39,044	1,304	2,639

### Stocks by Grade.

Wheat.		Oats.	
No. 1 Hard. ....	21,528	No. 1 C.W. ...	39,604
No. 1 Nor. ....	7,709,593	No. 2 C.W. ...	1,216,041
No. 2 Nor. ....	2,157,529	No. 3 C.W. ...	731,307
No. 3 Nor. ....	1,857,778	Ex. 1 Feed ....	249,422
No. 4 .....	1,334,267	Others .....	681,338
Others .....	1,868,675	Total .....	2,917,714
Total .....	14,949,372	Barley.	Flax.
		No. 3 C.W. ....	314,868
		No. 4 C.W. ....	254,751
		Rejected .....	26,036
		Feed .....	36,141
		Others .....	40,354
		Total .....	672,151
		Total .....	1,280,360

### WINNIPEG GRAIN RECEIPTS.

The receipts of grain at Winnipeg for the week ended June 17, 1916, compared with the previous week and the corresponding week a year ago were as follows:—

	June 7, 1916.	June 10, 1916.	June 9, 1915.
No. 1 hard .. . . .	2	2	...
No. 1 Northern .. . . .	2,769	1,737	...
No. 2 Northern .. . . .	1,040	599	...
No. 3 Northern .. . . .	652	497	...
No. 4 Northern .. . . .	230	241	...
No. 5 Northern .. . . .	116	76	...
No. 6 Northern .. . . .	28	20	...
Other grades .. . . .	260	193	...
Winter grades .. . . .	11	1	...
Total .. . . .	5,159	3,426	737
Barley .. . . .	1,154	933	149
Barley .. . . .	114	93	17
Flax .. . . .	144	93	27

### GRAIN EXPORTS.

The following are the exports of grain from the port of Montreal, that have arrived at their destination, week ending June 15, 1916:

	Flour, Sacks,	Wheat, Bush,	Barley, Bush,
Liverpool .. . . .	.....	207,597	.....
London .. . . .	8,000	312,000	.....
Glasgow .. . . .	9,600	430,993	108,331
Leith .. . . .	6,316	152,000	8,333
Manchester .. . . .	.....	164,869	25,000
Hull .. . . .	.....	243,534	.....
Havre .. . . .	.....	268,801	.....
Bordeaux .. . . .	.....	166,000	.....
Gibraltar .. . . .	.....	352,338	.....
Total .. . . .	23,916	2,298,132	141,664

### MONTREAL GRAIN STOCKS.

The following table shows the stocks of grain and flour in store in Montreal on the dates mentioned:

	June 17, 1916.	June 10, 1916.	June 19, 1915.
Wheat, bushels .. . . .	2,028,924	2,257,531	2,121,018
Corn, bushels .. . . .	146,164	169,881	120,885
Oats, bushels .. . . .	2,737,826	3,072,671	1,389,878
Barley, bushels .. . . .	180,605	417,631	219,691
Rye, bushels .. . . .	23,766	63,222	11,473
Buckwheat, bushels .. . . .	3,676	4,805	5,101
Flax, bushels .. . . .	82,501	49,143	13,589
Flour, sacks .. . . .	76,30	77,082	64,818
Flour, sacks .. . . .	76,630	77,082	64,818

A. R. Hoyt, of Jenks, Gwynne, and Co., will in future represent the firm on the floor of the New York Stock Exchange. W. P. Jenks, the present floor member, intending to devote his attention to the firm's cotton department.



**DONALDSON LINE****GLASGOW PASSENGER SERVICE.**

From Glasgow From Montreal  
 (x) T.S.S. ATHENIA (Cabin Only) . . . July 2nd  
 (x) T.S.S. CASSANDRA . . . . . July 16th  
 Steamers marked (x) Cold Storage. Cabin only.  
 For information apply to  
**THE ROBERT REFORD CO., LIMITED,**  
 20 Hospital Street, Montreal.

**CUNARD LINE**

Canadian Service

**MONTREAL TO LONDON**

From Montreal  
 \*T.S.S. ASCANIA . . . . . About July 1  
 \*T.S.S. AUSONIA (Cabin Only) . . . . . July 15

**MONTREAL TO AVONMOUTH DOCK**  
(Bristol.)

From Montreal.  
 xS.S. NUCERIA . . . . . About June 30  
 xS.S. ARDGARROCH . . . . . About July 6  
 Steamers marked (x) freight only.  
 (\*) Cold Storage and Cool Air.

Passenger steamers call at Falmouth.  
 For information apply **The Robert Reford Co.,**  
 Limited, 20 Hospital Street, Steerage Branch, 23 St.  
 Sacramento Street, Montreal.

**JAPANESE SHIPPING PROFITS.**

The diligence with which the Japanese are promoting their shipping interests on the Pacific Ocean and the success with which their efforts have been attended is strikingly shown in the statement issued by the Nippon Yusen Kaisha Steamship company for the half year ending April 30, says the Vancouver Sun. At the meeting of shareholders a dividend of 20 per cent per annum was declared.

For the half year an increase of \$5,000,000 was shown over the corresponding term of last year, the total receipts for the period mentioned being \$14,593,000. Expenditure amounted to \$8,594,000, or an increase of \$1,315,000 over the corresponding preceding term.

The net profits amount to \$4,807,000, which, with the balance brought forward from last term, makes a total of \$5,280,000. In the distribution of the net profits is included \$125,000 for special allowances to employees during the war, and after all distributions are made the company will have \$3,514,768.50 to carry forward.

**BIG MORTGAGE FORECLOSED.**

The New York Life Insurance Co. last week started proceedings to foreclose a mortgage it holds on the property of Madison Square Garden, for \$2,300,000, with back taxes, interest and other taxes amounting to \$78,504 more. This action will shatter the hopes of the owners, who had planned in the near future to erect a skyscraper to be the largest commercial structure in the world, on the site.

**CUNARD LINE ENTERS AUSTRALIAN TRADE.**

Illustration of the coming developments is seen in the new departure of the famous Cunard Line, which, like most other British shipping companies, is enjoying a considerable amount of prosperity at the present time, says The Financier. Five years ago this company re-entered the Canadian trade after a lapse of half a century, and their enterprise has been fully justified by the results. At the beginning of the present month (May) it was announced that the directors had completed negotiations for the purchase of the Canadian Northern steamers, which will give the company an opportunity of further developing their carrying trade between the Dominion and Great Britain. Now another and very important deal is notified which will enable them to extend their ramifications to Australia and New Zealand, after entering the Indian trade through acquiring a controlling interest in the Anchor and Brocklebank Lines. Some three years ago a new shipping combination, known as the Commonwealth and Dominion Line, was formed in London for the purpose of taking over a number of high-class steamers carrying general and refrigerated cargo, ranging from 11,500 tons to 4,063 tons, owned by the Tyser, Milburn and Cory Companies. This is the line which the Cunard Company will shortly ask the shareholders to provide the necessary capital to acquire, and there can be little doubt that the consolidation of interests will prove highly advantageous to the proprietors of both shipping enterprises. The suggestion for amalgamation has, no doubt, been put forward by Mr. Thomas Roydon, the deputy-chairman of the Cunard Company, who happens to be a director of the Commonwealth and Dominion Line, which has an office in Sydney and New Zealand, and is represented in Australia by the well-known shipping and mercantile firm of Gibbs, Brighu and Company.

**OCEAN FREIGHT RATES.**

Ocean freights will continue to soar for some time after the war, is the opinion of Mr. J. F. Ellis, of the Transportation Committee of the C. M. A. The reasons advanced for this view were that vessels will be needed to bring troops home, and to re-provision Europe. The destruction of ocean tonnage, the deterioration of interned vessels, the shutting down of shipbuilding, and wear and tear on vessels now in use were the other reasons given for a continuance of high ocean freights.

**FREIGHT ADVANCE PROPOSED.**

The traffic department of the Toronto Board of Trade has received a proof copy of supplement 7 to the Canadian Freight classification No. 16, proposing certain advances in ratings on furs, hides and skins of various kinds. The supplement has been filed by the railways with the Board of Railway Commissioners for approval.

On cattle, calf and horse skins, an advance of about 25 per cent is proposed; on sheep skins, 50 per cent.

**CANADIAN PACIFIC****TICKET OFFICES:**

141-143 St. James Street. Phone Main 8125.  
 Windsor Hotel, Place Viger and Windsor St. Stations.

**TRAIN DISPATCHERS MEET.**

The Train Dispatchers' Association of America is holding its annual convention this year in Toronto. The meeting opens on June 20th, and will bring together operating men from all parts of the continent. The Mayor of Toronto will welcome the delegates and important addresses are to be made by U. E. Gillen, General Superintendent, G. T. R., Chicago; A. J. Hills, General Superintendent, C. N. R., Toronto; Geo. Spencer, Chief Operating Officer, Board of Railway Commissioners of Canada; T. Collins, Superintendent, C. P. R., London; H. T. Malcolmson, Superintendent T. H. and B. Ry., Hamilton. On Friday, June 23rd, the delegates will travel in a special train over the Grand Trunk lines from Toronto to Niagara Falls and return, giving the railwaymen an opportunity of inspecting the Garden Land of Ontario, with its hundreds of square miles of orchards.

**IMPROVED FACILITIES FOR HANDLING BAGGAGE.**

Advantage has been taken of the reconstruction of Bonaventure station, made necessary by the fire, to improve facilities for the checking of baggage. A baggage checking counter has been provided convenient to the ticket office where passengers may obtain checks to destination on presentation of claim checks provided by Express and Transfer Companies.

Passengers do not require to wait until their baggage is located for checks to destination, which will be found a great convenience and saving of time. This is another step forward in providing the latest and most up-to-date and convenient transportation facilities.

**GRAND TRUNK APPOINTMENT.**

Mr. R. A. Gill, has been appointed Travelling Passenger Agent of the Grand Trunk, with headquarters at Toronto, Ont. He will report to the District Passenger Agent, Mr. C. E. Horning.

More than 400,000 union and non-union railroad workers of the United States will vote within a month on the advisability of calling a general strike to enforce their demands for an eight-hour day and time and a half for overtime, as a result of the failure by representatives of the railroads and the men to reach a settlement after a two-weeks' conference.

Officials of the Canada Southern Division of the Michigan Central conferred with heads of freight departments in Sarnia last week in connection with the proposal of the Company to extend its St. Clair branch to that city and make the terminal there instead of the village of Courtright. The proposal includes docks and wharfs to be erected near the upper bay.

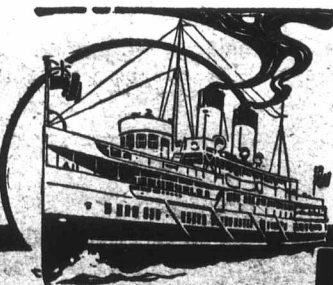
**SPECIAL ROUND TRIP FARES TO PACIFIC COAST AND OTHER WESTERN POINTS VIA GRAND TRUNK RAILWAY SYSTEM.**

Round trip tickets are now on sale daily to points in British Columbia, Washington, Oregon, California.

ALSO TO  
 Calgary, Edmonton, Alta., Colorado, Yellowstone National Park, Glacier National Park.

For tickets, reservations and all information apply to City Ticket Office, 122 St. James St., Phone Main 6905, Windsor Hotel Ticket Office, or Bonaventure Station.

Complete shells will be manufactured in the Process building at the Toronto Exhibition this year. Negotiations have been under way for some time between Dr. Orr and the Government with this end in view, and the consent of the Department of Militia has at last been reluctantly given for an exposition of the methods employed in turning out munitions for the allies, from the rough forging to the finished article.

**CANADA STEAMSHIP LINES LIMITED****Take the Water Way**

Travel in comfort and enjoy a full night's sleep on our palatial steamers.

**Montreal—Quebec Line**

Daily service, including Sunday, at 7 P.M.

**Saguenay Line**

Steamers leave Quebec, Tuesdays, Wednesdays, Fridays and Saturdays, at 8 A.M.

**Montreal—P.E.I.—Pictou**

SS. Cascapedia leaves Montreal, alternate Thursdays, for Pictou.

For full particulars and tickets apply

**Canada Steamship Lines, Limited.**  
 91 R. & O. Building, Montreal.