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By J. W. Macmillan.

The Future Production of Wheat.

By W. W. Swanson, Ph.D.

Banking and Business Affairs in the United States.

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The Preference.

IF THE British Government and Parliament adopt the policy of preferential trade within the Empire they will be following the example set by Canada, the policy adopted here in 1897 and still maintained, and therefore one that will naturally be acceptable to Canadians, who may be flattered by the knowledge that the Mother Country follows their leadership. The fact that a committee, headed by Lord Balfour of Burleigh, has recommended such a policy certainly gives the preferential movement a stronger position in Great Britain than it has hitherto occupied. Nevertheless, those in Canada who look upon the question as virtually settled by the committee's report may be too hasty in their conclusions. Though the preferential idea may seem to be more popular than formerly, and though it is quite probable that the Imperial Conference will confirm the preferential resolution of earlier conferences, there are still difficulties to be overcome that may prove insuperable.

Definite action by Parliament will doubtless be postponed until after the war. When the moment comes for such action the advocates of preference will again meet the rock which has repeatedly wrecked the movement. The rock is the question of food duties. If only the question of duties on manufactures had to be considered, the preferential system would, in all probability, have been adopted in the days when Mr. Joseph Chamberlain gave it his powerful advocacy. The strong free traders would, doubtless, have opposed it, but in that form the proposal might have been made attractive to the masses. But the first step in the making of an effective preferential tariff had to be the imposing of taxes on foreign foodstuffs, in order that the products of the Colonies might be admitted free or at reduced rate. Many advocates of preference tried to satisfy themselves that the system could be applied to other things and that the duties on foodstuffs were not a necessary feature of the new policy. Mr. Chamberlain, however, did not allow himself to be deceived on that point. He saw clearly that food duties were a necessary part of the new movement and he boldly supported them when many of his associates were endeavoring to avoid that feature of the subject. Take the case, for instance, of Canada, which had, on this question, given a lead to the Empire. Mr. Chamberlain realized that, at a time when Canadian manufacturers admitted they could not hold their home markets without the aid of protective duties, it would be absurd to expect them to look for any considerable market for their wares in Great Britain, even under a preferential tariff system. The chief things produced in Canada for export were foodstuffs. A preference on these over the similar goods from

foreign countries might be beneficial to the Canadian producer. At all events such a policy might be expected to find favor with the Canadians. But if foodstuffs were to be free from all quarters where would be the preference to Canada or any other part of the Empire producing such things?

Mr. Chamberlain, faced by this difficulty, met it boldly by declaring for a duty on foreign foodstuffs. For a short time after the South African war, as one of the after-the-war measures for the raising of revenue, there was a small duty on wheat. The existence of this duty strengthened the hands of the preference advocates, who claimed that while it was all right to impose this tax on foreign wheat, the wheat from the Colonies should be exempted. The Chancellor of the Exchequer of that day apparently felt the embarrassment of the situation and found the most convenient solution of the problem in the abolition of the wheat duty. If there was no duty on foreign wheat there was no ground for a claim of exemption for the Colonial product. It was that step that led to Mr. Chamberlain's retirement from the Cabinet.

Mr. Chamberlain courageously supported the preferential movement, but the question of the food duties proved, at every stage, an obstacle that could not be overcome. A large part of the people of the United Kingdom were living under conditions that made the cost of food a vital question to them. Consequently the opponents of preference, resting their case largely on a protest against the taxation of food, were able to command the support of the masses of the people. That the attitude of the British Liberals on this question played a large part in giving them their long lease of power, is beyond doubt.

It is assumed, in some quarters, that the situation has now changed and that the preference system is to be quickly adopted, but as we have already said, this may be an unwarrantable conclusion. At a moment like the present, when the high cost of food is one of the gravest questions of the day, it is not to be assumed that anybody in a responsible position would propose to put new taxes on food. When the question comes up, as it will, at a later stage, the "dear loaf" is not likely to lose its power as an effective argument to the masses of the British people. The report of Lord Balfour of Burleigh's committee, while it revives interest in the subject, by no means settles the difficulties which have appeared in past days.

Canadians, adhering as they do to the principle of preference, will doubtless be pleased to receive the benefit of the principle if it be voluntarily adopted in England. There will, however, be few Canadians who will desire to press the matter as an essential feature of Imperial policy. The point of view of the British workman, if he adheres to it, is entitled to re-

spect. "Your Canadian farmers," he said, "are as a class comfortable and prosperous. If they are to receive higher prices for their grain under the preference system — and that is what they are led to expect — the increase must be paid for by the working classes of the United Kingdom, very many of whom have a hard struggle to live even when food is un-taxed. Would the Canadians wish to thus profit at the expense of their poorer British brethren?" It was a difficult question to answer before. Perhaps under new conditions the British workman may be better off, and be more willing to bear the food tax. He will not be in a hurry to adopt the new policy, even though it is recommended by such an influential committee.

Stupid as Well as Criminal.

IN many things it would be folly to allege that the Germans are lacking in intelligence. They are remarkably well informed in some things. They are wonderfully efficient in certain directions. They have had an Intelligence Department, with representatives scattered over the world, maintained at a heavy expense, to keep the German Government fully advised of what has been going on. We may be sure that a vast mass of information of a statistical character has been accumulated, setting forth certain conditions in each country. Any question respecting the trade, commerce or industry of any country can be quickly answered by the Berlin officials from the contents of the numberless pigeon holes in the several departments. But all their Bernstorffs and Boppes have failed to understand the spirit, the soul, of the British people, or of the people of this North American continent. They failed entirely to understand the spirit of Canada. They have lately shown that they have never understood the spirit of the American people. They are now proving their utter stupidity in their approaches to Mexico and Japan.

This is the only explanation that can be offered for the extraordinary plot of Herr Zimmerman, the German Foreign Secretary, to bring Mexico and Japan into the alliance of the Central Powers and use them against the United States. The idea that a Mexican Government that has never been able to rule its own people and is obliged to engage in a constant fight with bandits to keep up a semblance of power—the idea that such a government could be made a useful and effective ally, would hardly enter into the mind of anybody but a German Minister of State. Madder still was the notion that the alleged government of Carranza could be made the instrument of inducing Japan to abandon her relations with Britain and her Allies and unite with the Central Powers in a war against the United States.

That the Germans should engage in this conspiracy against the United States at a moment when they were declaring their friendly regard for that country need not cause surprise. Nobody now expects anything like honor from the Germans in their negotiations with other nations. But the folly, the stupidity of the German plan respecting Mexico and Japan, is the thing that must cause surprise in many quarters.

The Blessing of High Cost.

IN New York, in Chicago, and in several other cities of the United States there have been riots due to the high cost of food. The women especially, to whom the cost of food comes closely home, have been the leaders in complaining. City, State and National authorities are being appealed to for means

of relief. Numerous commissions are being appointed to ascertain the cause of the evil, for an evil it is assumed to be. The authorities might engage the services of Mr. George L. Walker, who writes weekly in the Boston Commercial, and send him into the districts in which the disturbances have occurred, to explain matters to the people. If he can be as successful in convincing the people as he seems to have been in convincing himself, he should be able to calm the agitation and turn the weeping of the women into shouts of joy. Mr. Walker has satisfied himself that this high cost of living, of which so many misguided people are complaining, is a blessing for which everybody should be grateful. Hear him:

"The American people needed this 'high cost of living' experience to stimulate agriculture, and it is to their good fortune that it came at a time when there was employment at more than living wages for everybody. Food production for a long time had not been keeping pace with the growth of population. High cost of living had arrived and established itself long before the war broke out, and those having good memories will recall distinctly that it continued to hold the centre of the stage during the several months of hard times and general unemployment that immediately preceded the explosion in Europe. The country was on its way to a food shortage and the war simply hurried it along. If the former hadn't overtaken the latter until some year of general industrial depression the lesson would have had to be learned under most distressing conditions.

"These excessively high prices for foods will make farming attractive as a business. They will cause thousands of men to leave the cities and add hundreds of thousands of acres to the millions now under cultivation. Just such a situation as this was necessary, because all other lines of enterprise had become more profitable than farming, proportionate to the amount of energy, application and judgment required. Now the country will begin producing a generation of rich farmers."

In the presence of this happy explanation it seems a pity that so many people should still be under the impression that they are hungry. Mr. Walker should go giving a commission to travel in the food shortage regions and explain to the people how fortunate they are.

The Sale of Honors.

IT IS not a pleasant title for an article. It is, however, not our own. It is reproduced from one of the most prominent Conservative journals in England, the editor of which has been moved by some recent announcements of honors to give the public some information as to the manner in which such things are managed. There is, of course, a surface view of the matter which the public is expected to take. Somebody whose services and virtues, perhaps, had not previously been known to a cold world, receives rank and title, whereupon an admiring press announces that His Majesty the King has been pleased to confer such honors on Mr. So-and-So, in recognition of his great merits. Citizens in the quiet walks of life who read these announcements picture His Majesty lying awake at midnight, wondering how he can adequately reward the very remarkable services which the individual in question has performed for the Empire. This conception of how the thing is done, however, does not appear to have a place in the minds of those who are nearer to the throne. The Morning Post, the organ of old-fashioned conservatism,

takes its readers into the inner chambers of politics and tells us how, in many cases, honors are produced. The London journal says:

"We have heard that Venice, in her palmy days, had a golden book in which the names of those who had done signal service to the Republic were recorded. It was an idea both beautiful and magnanimous, and at first was a great success. But the entries grew with astonishing rapidity, and the reasons for them became correspondingly vague and grandiloquent, while at the same time certain officials or parties in the State of Venice grew unaccountably rich, and the State herself declined. We do not suggest that this was anything more than a coincidence; but it is at least certain that the inevitable happened, and in the last ten years of the Republic not a single entry honored or sullied its pages.

"There is a real danger that this fate may also overtake the honors now granted—or supposed by a constitutional fiction to be granted—by His Majesty the King. The British people are slower witted than the Venetians, but they are beginning to discern that those ancient and noble titles which were held in so much esteem by our ancestors are now being given, or rather sold, not to merit but to opulence, and not for public service but for political support. It is worth knowing that those who may fairly be said to be 'in the know' have refused these honors, as, for example, Mr. Gladstone, Mr. Balfour, and Mr. Asquith. All these gentlemen, having been Prime Ministers themselves, had the best means of knowing to what depths of degradation the system had reached, and it may be presumed that this knowledge restrained them from accepting honors for themselves, just as no one will eat macaroni who has seen it being made. We are credibly informed that there exists, or existed, a regular tariff—so much for a Knighthood, so much for a Baronetcy, and so much for a Peerage. Not only so, but the scale varied according to the supply and demand. . . . This is a time, as we have already said, when the nation is stirred to its depths. It is looking with a questioning and lowering eye into those institutions by which it feels itself betrayed. And it will not much longer tolerate those rank abuses which were protected by custom and familiarity in the comfortable times of peace."

These plain-spoken comments, from such a high and responsible quarter of British journalism, have attracted much attention in the Mother Country. Mr. Thomas Gibson Bowles, a well known Conservative, long a Member of Parliament, has addressed a letter to the editor of The Morning Post, which is published under the heading: "The Sale of Honors." Mr. Bowles says:

"You do a great public service, which I hope you will continue, in calling attention to that sale of honors which has lately been a foul reproach to our party system. Of the existence of this loathsome system there can be no doubt since the debates in the House of Lords, and the frank avowals then made, but how deeply the canker has entered into our political life is not known to the public at large, nor will it be until a most searching inquiry into it is made by an authoritative body—such as a Royal Commission—having full powers to examine the Party Whips and the banking accounts and other documents of the party funds."

A Health Insurance Survey

Ten Per Cent of People Inspected Were Sick.—Poor Were Found to be Seriously Sick Three Times as often as the Well-to-do

By J. W. MACMILLAN.

A compulsory health insurance measure is to be submitted to the Wisconsin legislature at its next session, which will be held this spring. It is probable that the measure will become law.

With the desire of securing information as to the need of such a law, and what might be expected from its enforcement, the City Club of Milwaukee, on a day in last November, made a survey of sickness conditions in the city. The schools, the charities, and the public health department of the city co-operated in furnishing the staff of visitors. They did not attempt to call upon every one of the 90,000 families in the city, but adopted a sampling method. Thus scattered regions of the city were canvassed. These were selected in such a fashion as to touch each class of the population, whether rich or poor, native or foreign, sick or well.

The results of this survey are still being worked over by the statisticians employed by the City Club. Two bulletins have so far been published, setting forth an invaluable array of facts regarding the health of the people of the city. As a similar survey in any other city on the continent would disclose approximately the same conditions, a recital of the chief items set forth in these bulletins should interest us all.

The information sought in the survey taken was: the sex, age, and occupation of each member of each family canvassed, together with whether the wage-earners of the family earned more or less than \$1,200 during the twelve months preceding the census, and for every sick member of the family the nature of the sickness, its length, whether the patient is at work, at home or in an hospital, whether the patient is under a doctor's care, how long the patient was sick before the doctor was called, and the amount and source of the sick benefit where one is being received.

The results may be thus briefly summarized: Ten per cent of the people were sick; the annual wage loss caused by sickness was not less than \$3,000,000; less than half the sick were under a doctor's care; less than one fourth of the sick had prompt medical attendance; and the poor were found to be seriously sick three times as often as the well-to-do.

In the opinion of those in charge of the survey these conclusions are extremely conservative. Many cases of tuberculosis, venereal disease and other ailments were not reported, so that the totals of the calculation must be far too low.

Because of the economic interest of the survey the morbidity of wage-earners is of paramount importance. Thus it was found that of the 40,000 sick persons, 13,600, or about one-third, were wage-earners. Of these, again, 5,090, or 37 per cent, were at home from work. Since there are 187,000 wage-earners in Milwaukee, it is clear that 2.7 per cent of them were sick at home. If the day of the census was typical of the whole year, and there is no reason to suppose that it was not, this means that the average worker loses ten days each year through illness. This conclusion agrees pretty closely with estimates which have been made for the whole of the United States, that thirteen days are lost each year from this cause by the average person and nine days by the average wage-earner.

If \$600 be taken as an average wage the daily loss in earnings is \$10,000, or over \$3,000,000 a year.

One of the striking facts revealed was the amount of nervous disease. 1,700 persons were found to be so afflicted. The wage-earners were lightly touched by this class of disorders, which were three times as common among non-wage-earners as among wage-earners. The greatest sufferers were housewives, and women and girls were much more frequently afflicted than men and boys.

Again, in respect to medical attendance, it was found that wage-earners were under a doctor's care in a larger proportion of cases than non-wage-earners. The figures are: 49 per cent of the former class and 33 per cent of the latter. The reason doubtless lies in the necessity of protecting the family income. But, even so, one-fourth of the wage-earners sick at home were without a doctor's aid. This condition of things is specially mischievous because many of the more dangerous maladies begin in apparently trifling illnesses.

In comparing the health of rich and poor it appears that, in regard to the whole field of ill-health, residents in the poor districts suffered about 80 per cent more than those in the well-to-do districts. This is bad enough, but when the more serious diseases are taken by themselves, such as heart trouble,

pneumonia, diphtheria, insanity, etc., it was found there were three times the proportion of cases among the poor. To be precise, 7.7 persons per thousand in well-to-do districts were afflicted with these serious forms of sickness; in poor districts 22.2 persons per thousand were so afflicted.

An important factor in public health is, as intimated above, promptness of medical aid. The survey showed that less than half of the cases under medical care had called the doctor at the beginning of the illness. Joining to that the fact that less than half of those sick had a doctor at all we may calculate that less than one-fourth of the sick had immediate medical attendance.

It remains to inquire to what extent these conditions would be affected by a compulsory health insurance law. If the Wisconsin legislature follows the example of New York and Massachusetts it will draw the line between state-help and self-help at

the income line of \$1,200 a year. Thus all employees, and their families, receiving less than that sum will be entitled to free medical treatment. It was found that of the 40,000 sick in Milwaukee 26,700, or 64.7 per cent, would be so entitled. It was found, again, that of these about 800 were receiving sick benefits from employers, benefit societies, lodges or insurance companies. Besides, about ten thousand were privately employing some doctor. That leaves the large number of over fifteen thousand sick persons not receiving medical care, who would have been in a doctor's hands if such a health insurance law had been in force.

Such facts as these give point and force to the words of Hon. Samuel W. McCall, Governor of Massachusetts, in his inaugural address, where he recommends such a law. "I am strongly of the opinion that there is no form of social insurance that is more humane, sounder in principle, and that would confer a greater benefit on large groups of our population and upon the commonwealth as a whole than health insurance. System and the the wholesale scale on which the enterprise would be conducted would result in procuring medical care and attendance and the benefits of preventive medicine at far less cost and with far more effect than if the workman were acting for himself alone."

Inflated Wages do not Indicate Prosperity

Problems connected with currency inflation are discussed by Frank Morris in a recent issue of "The Bankers' Magazine." His conclusions are that "every effort must be made to prove . . . that inflated wages do not connote prosperity for the wage-earners, that if conditions are unchanged exports will decline and imports will increase, the comparison here being with reference to the pre-war figures. That means an unfavorable foreign exchange, and it is abundantly clear that England's present methods of regulating exchanges cannot be indefinitely continued."

"The world position of the British Empire depends upon the successful handling of the problem, which is at once both political and financial, and it is scarcely too much to say that 'labor' holds the key to the solution. But if 'labor' is obdurate and insists upon a 'paper' scale of wages unobtainable permanently, and at best but dead-sea fruit, we may all have a rude awakening."

Inflation Defined.

Accepting the definition of inflation as "any increase in the volume of purchasing power, unaccompanied by a corresponding increase in the goods it goes to buy," Mr. Morris proceeds to illustration. "When the borrower is the government and the lender the banks and not the public," he says, "we have a direct case of inflation, and it is common knowledge that this procedure has been adopted (in England) on a large scale during the progress of the war. If the new credit is employed directly in the purchase and destruction of commodities, e. g., military stores, inflation supervenes."

"But if, as it is to some extent the case, the credit is expended in the payment of salaries, it is conceivable that the recipients might employ the proceeds productively, and to that extent inflation would not take place. This possibility serves to illustrate the difficulty of arriving at any quantitative estimate of the extent to which our currency has been inflated, and there is a further factor equally elusive, viz., the extent to which the (British) public has voluntarily, or by compulsion, reduced its purchases."

"In considering the effect of inflation, care must be taken to discriminate between the immediate result to the community and the gradual results, bearing in mind Great Britain's relations with foreign countries. The internal result is a general tax upon the nation, very unfair and ill-regulated in its incidence. From the point of view of the foreign position, the consequences of inflation will depend upon the relative financial position. If inflation has taken place externally, to that extent the effects are mitigated."

"In a note by Professor Loria, the eminent Italian economist, contributed to a recent publication, 'Labour, Finance and the War,' Great Britain's currency is described as based upon a 'non-exportable gold basis.' This is an illuminating phrase, which is worth pondering on. The reluctance of other countries to the continuous influx of gold is another serious factor, and suggests the possibility, in the distant future when peace reigns supreme, of the adoption of Professor Fisher's universal artificial gold exchange standard, in which the sovereign would no longer correspond to the gold of which it is made, but to some idea of purchasing power."

"Deflation is, at one and the same time, the simplest and most difficult problem which will confront

our statesmen. It is the psychological element which complicates the issue. There are two schools of deflation experts, and probably a wise statesmanship will take something from each. The one school aims at retracting our steps, i. e., reversing the credit operations, which have brought about the disease; the other school aims at rendering the body politic immune to the malady by methods of stimulating production.

"If we decide to retrace our steps, this can be accomplished by the gradual sale of bankers' securities, or, in the alternative, by the issue of a Government conversion loan, with the object of transferring to the public the said securities. Either process will, of course, set free for productive purposes the at present unprofitably employed (from a public point of view) bankers' credit."

"Deflation by stimulating production seems to offer, upon the whole, the most hopeful solution."

The writer then draws attention to what he describes as "the menacing and retrograde proposals" of the Parliamentary Committee of the Trades Union Congress:

- (1) No reduction in present wages or increase in working hours.
- (2) State unemployment pay for men and women out of work.
- (3) A compulsory minimum wage for all adult workers.

"These claims, taken individually, with exception of the first, are not necessarily inimical to deflation, though the practical application of the second and third offers the strongest ground for criticism."

"Non-reduction of present wages and working hours will be fatal to effective action."

"The view that wages must rise through any increase in the cost of living finds no support in economic theory. One is afraid the answer will be, so much the worse for the theory, a reply very fashionable nowadays. It is true that currency inflation is the one ground which justifies some increase in wages, as a method of equalizing the burden of the tax, but it is needless to say that the present rise in wages is out of all proportion to the cause. Therefore it is difficult to appreciate the grounds upon which labor claims immunity from the ordinary laws of supply and demand, and the general financial sacrifices and reduced purchasing power which a state of war must entail upon every member of the community. Not only, apparently, does labor claim this immunity, but makes the further claim that, after the war, the war bonuses or at least the higher wages, must continue even when the assumed justification for the increase has ceased to operate."

"The compulsory minimum wage doctrine, a variant of the 'living wage' claim, can also find theoretical justification on the ground that underpaid labor, underfed labor, is non-productive and militates against the effective working of the labor machine. Unfortunately the tendency is to make the present inflated wages the basis of the minimum wages upon which a further superstructure of claims will be raised. Another group of economists put forward 'profit sharing,' which might conceivably keep wages at a reasonable level, as a scheme favorable to deflation. In such case the share of the profits, being partly dependent upon production, will operate as a beneficial factor."

"To achieve deflation, wages must come down, or production must be increased, or both."

The Future Production of Wheat

By W. W. SWANSON, Ph. D.

Wheat is Almost Worldwide in the Extent of its Culture. This Universality in Production has Resulted in Minimising Fluctuations both in Output and Price

The remarkable situation in the wheat markets which has obtained since the outbreak of war has focussed attention once more on this kind of cereals. Notwithstanding the advice, which has been so freely and gratuitously distributed to our Western farmers, to adopt mixed farming, it yet remains true that for years to come the prosperity of the Prairie Provinces will depend mainly upon the production of wheat. The present phenomenal prices for this food product mean prosperity not only for the West, but for the whole of Canada; and this notwithstanding the fact that the acreage has been materially reduced this year. It is admitted, however, that the present situation is quite abnormal, and cannot, therefore, last. It will be well, then, to investigate briefly what the probable conditions will be in the future in connection with the marketing of this most important of food products for the Western civilized world.

In the first place, it may be noted that wheat, unlike most other farm products, is almost world-wide in the extent of its culture. It may be said that the only modification of this statement that need be considered is that wheat has never been successfully grown in the Tropics; and in some of the sub-tropical regions only on the high, cool tablelands. This universality in production has resulted in minimising fluctuations, both in the output and the price of this commodity; and gives us a situation which is unique in the agricultural world—conditions which will not be found, for example, in connection with such staple crops as corn and cotton. On the whole the demand for wheat is increasing, since its output has not quite kept up with the growth of population. More persons in more countries are eating wheaten bread than in any other period of the world's history. In view of that fact it is fortunate that this crop is produced in so many countries in so many zones, and under such diverse climatic conditions. It follows that droughts in some countries are offset by average, or even excessive, rainfall in others; and scientific methods have been adopted, wherever abnormal climatic conditions obtain, to offset them. Thus, wheat growing has become a speciality in some countries; and many scientific investigators, in recent years, have devoted all their energy and attention to adapting this cereal to different environments. On this Continent wheat is produced all the way from Texas well up to the Arctic regions in Northern Canada, and across a belt which runs roughly from the Mississippi Valley to the foothills of the Rocky Mountains. In Europe wheat is grown with success in France, Austria-Hungary, Northern Italy and Russia. Moreover, huge supplies are secured in North and Northwestern British India, and in the central and northern regions of the Argentine Republic, as well as in Southeastern Australia. It will thus be seen that climatic conditions offset one another as far as the world's output of this crop is concerned; and consequently and as a rule the average production does not vary much, from year to year.

Climatic conditions, however, are most important in the successful cultivation of this cereal. For example, winter wheat is most successfully cultivated in the Southern United States, being sown in the Fall and harvested in the early Summer; while in the Northern tier of States and in Canada, Spring wheat yields the best results. It will be observed that, because of these varied climatic conditions, it is possible to offset a poor crop under one set of conditions by a good crop under another. Then, again, on the whole it will be found that the Eastern United States have a humid atmosphere, while the Western States are dry, some of them arid in parts, or semi-arid. Similar conditions exist in the great European wheat belt. Russia is almost a continent in itself, containing every variety of climate from the sub-tropical to the semi-arid; while Northern Italy is almost altogether sub-tropical in nature. India, while one of the most prolific producers of wheat, is subject more than any other wheat producing country to the vagaries of climatic conditions. The wheat belt is arid for the greater part of the year; and the marvellous fertility of this soil, especially in the Ganges Valley, would be rendered unavailable were it not for the Monsoon rains. These rains turn a dry, baked and burned country into a land that blossoms and blooms in a few short weeks under the fertilising Monsoon rains, until it becomes a veritable Garden of Eden. Nevertheless, the Mon-

soon rains are irregular and not entirely constant from year to year; and when they fail India suffers terribly from famine.

The Temperate Zone, on the whole, yields the best results in wheat culture. In such lands in the United States, Canada, the Argentine and Russia, the farmers specialise in the production of wheat; and through this crop are able to carry on the arduous work of the agricultural pioneer. The reason therefor is not far to seek. On the whole little labor is required; and the cultivation of the crop lends itself splendidly to the use of machinery, so that from the time the seed is planted until the wheat reaches the consumer in the form of bread, the whole process may be carried on by the use of machines all the way. In connection with this it is interesting to note that by far the greater part of the world's wheat crop is grown upon new or semi-arid lands.

Wheat culture on the Prairies of Canada, the United States and the Steppes of European and Asiatic Russia is conducted on an extensive scale; while in the United Kingdom, France, Germany, Eastern Canada and in the Eastern United States intensive methods are, for the most part, followed. Everyone knows that where intensive methods are followed, the average yield per acre is twice as great as when extensive methods are followed. Nevertheless, it does not follow that intensive methods are the best for our Western farmers. On the contrary, if such a practice were followed it is probable that wheat farming would be carried on in the Prairie Provinces at a loss. In Europe and in the Eastern parts of America intensive methods of cultivation are followed because of the higher value of the land, the small scale of the farming enterprise, and the higher returns on other crops. At the same time it is obvious that intensive cultivation of wheat may quite often really represent a dying industry, for the country following that practice; for it means that the cost of production is so high that the utmost that the land can possibly yield is demanded, and exacted from it. On our Prairie lands, and in the Western United States, other and more successful means for increasing the output are being adopted. Scientific investigation, for instance, is doing much to increase the yield of wheat in the frontier American States. Drought-resisting wheat has been developed for use in the semi-arid regions of what was once called the great American Desert. Hundreds of miles of these fertile lands are now cultivated by means of proper seed selection, new methods of tillage and other expedients which do not increase the labor cost, but which make it possible to bring in new land and cultivate it on an extensive scale.

One of the reasons why, on the whole, wheat prices have fluctuated so little in the past, taking a long-time view of the situation, is that this grain may be readily transported, handled mechanically and economically distributed. As we have said, wheat is a world commodity, in the supply of which no one country is dominant. Each month of the year sees an important crop harvested; although the supplies are lighter in October and November than in the other months of the year, particularly than in January to September. Because there is this steady and constant supply from all quarters of the world, the price may be fixed under more or less definite conditions at the great wheat exchanges; and this price cannot fluctuate much from place to place, except as it may be modified by the cost of shipment, the cost of freight and insurance and so forth.

Since the European war broke out, and especially in the last month or two, there has been a great outcry against speculators in the wheat markets of this Continent. It cannot be denied that these speculators at times can be justly charged with increasing the price of bread to the poor; but on the whole their work is an important and an economically productive one. Very few dealers have ever had success in cornering wheat supplies, Joseph Leiter being the last speculator who discovered the futility of such an attempt. The wheat exchanges benefit all parties concerned—the farmer, the grain dealer and the consumer. This is due to the fact that wheat lends itself readily to being graded into standard qualities, to being handled by dealers who work in competition with one another and, as has been said, to being transported from place to place. The result is that prices cannot fluctuate much from place to place in

the same country, and scarcely more so between Europe and America. As prices are known and definitely fixed from day to day and month to month, farmers can the more readily dispose of their supplies, other things being equal, at a period when the best prices obtain. Grain dealers and millers may, through the speculative market, protect themselves from fluctuations in the price of wheat by "hedging". The milling of wheat thus becomes a standardised industry in which manufacturers' profits alone are sought, and the speculative element abolished. The attention of the miller, then, need not be centred upon the speculative side of the business, that being left to a professional group of buyers and sellers; who from a study of world-wide conditions are able to fix prices with reference to the probable supply and demand. The same holds true of grain dealers, who can also by "hedging" eliminate speculation, and carry on their business on a small commission. There is, therefore, or at least there need not be, any considerable margin between what the farmer gets and what the consumer pays. This is not true of most other farm crops. Speculators are able to calculate prices with considerable success because of the great mass of information, concerning the state of the world's crops, that is available for them. In normal times wheat prices rise steadily until April or May; but this rise in price is accounted for mostly by the cost of storage, the cost of insurance and the cost of handling the wheat. In days gone by, before speculative markets were organized, wheat prices fluctuated far more violently than at the present time.

What of future conditions in the production of this staple cereal? In the first place, it should be observed that the demand for wheat is what the economists call an "inelastic" demand—that is to say, the demand is steady throughout the year, and does not depend upon the supply to any considerable extent. When the world's output is small, consumers who use this grain demand just as much as before; with the result that wheat prices may, under these conditions, fluctuate violently. Now with the outbreak of war, while there was probably as much wheat produced in 1914 as in the preceding year, a great part of the supply became unavailable for the consuming market. The countries at war produce at, or near the line of battle, 37 per cent. of the world's wheat crop; while, on the other hand, they consume 45 per cent. of the world's production. It will thus be seen that there is a considerable gap between the production and consumption of wheat, in Europe; and this gap cannot be closed until peace has been again proclaimed. As far as future supplies are concerned it is obvious that the available areas for wheat production are still very large, especially so when it is recalled how greatly scientific expedients have increased the output per acre in recent years. The semi-arid lands of America, through seed selection and irrigation have become wonderfully productive; and there are still available great areas in Canada, Siberia, Australia, Africa, and the Argentine, which have as yet not been touched. Let it not be forgotten, however, that population in wheat consuming countries is also increasing at a rapid rate. Some pessimists in Canada have emphasized the fact that our Prairie Provinces are making a mistake in depending so largely upon this one crop, in view of the fact that other countries will enter the field in the no distant future as competitors for supplying the markets of Europe. Leaving aside, for present purposes, the question of mixed farming, it may be said with assurance that for many years to come the world will be able to take all of Canada's surplus wheat production. While in the 19th century the available wheat lands were enormously multiplied, nevertheless there was just as spectacular an increase in the numbers of the wheat consuming peoples. The population of Europe, for example, increased from about 100,000,000 in 1800 to 425,000,000 in 1900; while on this Continent a population of under 10,000,000 has increased to one of over 110,000,000. The United States, indeed, will shortly, as James J. Hill pointed out, need all of its own wheat output for the domestic market; and Canada in that event, will have one less competitor. It is inevitable, also, that within a few years at the most the American market will become a free market for the wheat of our Prairie Provinces. The conclusion to be drawn, therefore, is that not in our gold, or silver, or precious metals, but rather in our much more valuable agricultural output, is the real wealth of this country to be found. That being true, all obstacles that have been placed in the way of Western farmers in particular, and the farmers of Canada in general, should be removed. They ask no more than that others should stand out of their sunlight.

Banking and Business Affairs in the U.S.

By ELMER H. YOUNGMAN, Editor Bankers' Magazine, New York.

(Special Correspondence of The Journal of Commerce.)

NEW YORK, March 3rd.

For the time being the ordinary affairs of business have become a topic of secondary interest on account of the tension of the international situation. Germany's challenge to America's right to navigate the seas has been met by a full delegation of authority from Congress to the President to protect that right, and at any moment the euphemism of "armed neutrality" which has been employed to soften in the public mind the meaning of the latest step, on the part of the Government may give way to the harsher yet more exact term of "war." As events are moving with swiftness and with seeming sureness toward this culmination, it may be reached even before these words are printed. From the outset of the great conflict on the other side, no careful observer of American public opinion could ever have doubted where our final alignment would be. The course of Germany in Belgium, in the matter of the Lusitania outrage, and in numberless instances of ruthless savagery, has violated every principle and every ideal which Americans hold dear. Finally, the bold attempt of Germany to inhibit our peaceful navigation of the seas furnished the culminating outrage which even a patient and good-natured people could no longer brook.

Business as Usual.

This will undoubtedly be the policy following whatever military or naval activity may result from the present turn of affairs. There need be no unusual excitement in business circles, and probably will be none. Actually the situation will improve, for the practical embargo on shipping which has existed since the beginning of February will be lifted, and American ships will move across the seas either armed or conveyed by protecting cruisers. The stock market, accustomed to discounting events of magnitude, has probably already gone through whatever shivers the war situation may have engendered. As the large naval outlay and the expenditures necessary to forward other means of preparation will for some time furnish a renewed impulse to business, the outlook is for continued activity. It is realized, of course, that when the war demand ceases a fresh outlet for many products and energies must be sought. But the prospect of anything like stagnation appears far distant. China is awakening and will gradually call for larger and longer amounts of foreign goods and capital. Industries in Russia, France and Belgium—to mention no other countries—will be sadly in need of the restorative influences of fresh supplies of capital, so that the work to be done in the near future would seem to be abundant enough to keep capital and labor fully employed.

Food Hysteria Subsides.

When in the first weeks following the recent renewal of unrestricted submarine activity on the part of Germany, food supplies became slightly diminished in several of the large cities, there were excited gatherings of people and so-called "food riots." These hysterical movements have subsided, and with the extra efforts made by the railways to move perishable goods, such scarcity as existed was largely corrected. In last week's article it was pointed out that the food excitement was both ridiculous and contemptible so far as it arose from any belief that a real scarcity of supplies existed in the country. Inconvenience and some suffering were caused from lack of means to distribute the food and from the high prices which have made it difficult for persons of moderate incomes to procure the necessities of life. But the high prices in the case of a few commodities and the lessened supply of a limited number of them, are very different things from a real and serious food shortage. If at any time there should be a general shortage of food crops in this country, it would not be for lack of abundant fertile lands, producing everything, including nearly all the fruits of the tropics, but because the people were indisposed to perform the manual labor which the cultivation and gathering of these crops require. People who are beguiled into the cities by the elegance and leisure which the great centres of population afford should not complain of the price they pay for this exemption from the labor which agriculture entails. Their appeal for sympathy lacks the sincerity that would bring conviction.

New National Banks.

In February, 1917, the Comptroller of the Currency received thirty-three applications for charters for new national banks, with capital of \$1,725,000, as compared with fifteen applications in February, 1916,

with capital of \$525,000. This February fourteen charters were granted, with aggregate capital of \$725,000, as compared with nine charters granted last February, with \$430,000 capital. In February, 1917, twenty-five National banks increased their capital by \$2,970,000, against seven banks increasing their capital by \$950,000 in February, 1916. Four banks reduced their capital in February, 1917, \$205,000. The same month last year two banks reduced capital \$55,000. Four National banks went into voluntary liquidation (exclusive of those consolidating with other National banks) in February, 1917, with capital of \$532,500, as compared with six banks liquidating (except for consolidation with other National banks), with a capital of \$653,000, the same month last year. There were no receiverships among National banks in February, 1917.

Some doubts have existed regarding the increase of the National banks under the Federal Reserve System, but it appears from the foregoing figures that the number of National banks is still increasing. Of course, the general growth of business would call for some addition to the number of banks, and of these a certain percentage would be organized under the National system. It does not yet appear that the Federal Reserve System has seriously restricted the organization of National banks, and the desertions from the National system which many have been expecting do not seem to have taken place. The fact is that bank organization under Federal charter still presents some advantages which banking capital is slow to relinquish. On the other hand, the attractions of the Federal Reserve System have not been sufficient to attract into it many of the State banks.

Bank Clearings.

Exchanges of the banks for the week ended March 3rd were \$5,554,493,634 compared with \$4,509,390,423 the preceding week and \$4,825,876,498 the corresponding week a year ago. These figures do not sustain the view, indicated by previous figures, that there has been a recession of business throughout the country. Business is still active, although there was undoubtedly a slight lull due to the tying up of ocean commerce, but this influence seems to have disappeared, and so far as may be judged from the bank exchanges, there is no recession in sight in the near future. Another indication that is favorable is the lessened number of business failures, February's figures being lower than for any month since September, 1916. Indeed, the commercial failures last month were the smallest in point of number since 1910. The fact is clear that business is exceedingly good, nor is there any present indication that it is likely to be otherwise for some time to come. In commercial and banking circles there is a feeling of absolute confidence, and until this gives way to doubt, enterprise and trade may be expected to continue unchecked.

Growth of Taxation.

With the growing expenditures for military and naval purposes, an increase of taxation was bound to occur. Even before the increase in expenditures for these purposes was decided on the outlay for ordinary purposes had advanced to more than usual proportions. Taxes have been laid not alone for the purpose of producing additional revenues but with the object of checking the accumulation of large fortunes. That this tendency is likely to increase and to become a permanent feature of the fiscal policy of the Federal Government and of the various States seems highly probable. There is a feeling in this country that wealth tends toward concentration in comparatively few hands, and taxation is relied on as a corrective of this tendency. The feeling in this regard has been accentuated by the large profits which a few favored concerns have made out of the trade in war munitions, and it may be expected that in the near future the taxation policy of the country will be shaped with a view toward taking a large part of these profits for the public use by imposing super taxes upon such profits. Nor will the normal business activities wholly escape from punitive taxation, since there is a growing tendency to regard all forms of business—farming alone excepted—as legitimate sources of productive governmental revenues.

Closer Financial Relations With Europe.

Following the announcement made sometime ago that the Bank of England had been designated as an agent of the Federal Bank of New York comes the news of a similar arrangement with the Bank of France. Especial significance is given these

arrangements by recent international political developments. No doubt both France and England, as well as the United States, will derive substantial advantages from these arrangements. They mean that the already close financial relations existing between the parties concerned are to be enlarged and strengthened. It is realized here, and no doubt in Europe as well, that the assistance which the United States will be able to render the Entente Allies will be financial rather than military. This assistance has already been freely rendered, but under the changed conditions it will be immensely augmented and will be carried on openly instead of somewhat covertly, as heretofore. Opinion on the other side of the Atlantic has held that the decision in the great conflict may be brought about by the final millions of money thrown into the scale. If this view is correct, there can hardly be a doubt as to the importance of the open enlistment of the United States in behalf of the Allies.

Distribution of Investment Securities.

As the country becomes more and more an absorber of investment securities, the necessity becomes apparent of some better means than have heretofore existed of distributing investments among the masses of the people. "Popular loans" have already been tried and with considerable success, but probably for some time yet the bulk of foreign and domestic loans will be floated in the first instance by the banks. The reason for this is obvious. It insures the prompt placing of loans, something that is always highly desirable but which can not always be relied on with certainty where loans are offered solely through popular channels. This, however, does not imply that the masses of the people can not be of the greatest service as ultimate buyers of the many securities now pressing upon the market. On the contrary, it is obvious that these securities can not be perpetually absorbed by the banks, unless the latter can in time pass them on to their depositors, constituting the great body of the investing public. Much remains to be done in an educational way before the people of the United States can be brought to a realization of the benefits accruing to the country at large and to them as individuals by becoming purchasers of foreign securities. There has been already a concerted movement on behalf of thrift, and many of the leading bond houses are, through printed literature and other channels, informing the public of such advantages. As this movement spreads, and the people of this country become thoroughly informed of such benefits, the investing power of the American people will be seen to be very great, and capable of absorbing an almost indefinite volume of Canadian and European securities.

UNITED FARMERS OF ONTARIO MEET.

The United Farmers' of Ontario met in their three-day annual convention at Toronto last week, with more than 150 delegates in attendance. In his presidential address, Mr. R. H. Halbert, of Melancthon, emphasized the necessity of co-operation among farmers, that they might in future get a "square deal" and play their part in reconstruction after the war. They must grapple with the agricultural question on a social and economic basis and eliminate the waste in marketing, which is one of the largest factors in the cost of living. He reported a membership of 200 organizations in forty-three counties, representing 8,000 members.

A resolution that the province be divided into nine districts, according to the layout of railway facilities, each with a district representative, was unanimously carried.

The financial statement showed revenue of \$2,243.93 and expenditure of \$1,385.04.

The amendment to the Companies Act extending its scope to embrace farmers' co-operative societies, came in for some warm criticism, and a committee was appointed to consider the details and report tomorrow.

CANADIAN FLAX-GROWERS IN CONVENTION.

The first convention of the Canadian Flax Growers, which opened in London, Ont., last week, was described by one of the members as an epoch making occasion. Three addresses were delivered at the afternoon session on the first day, the speakers being Dr. H. E. Howe, of Montreal and Boston. Dr. Howe spoke of the value of the seed flax straw, which is wasted in large quantities in Western Canada, and which would have a value of \$3 per ton could it be collected for making fibre suitable for the manufacture of the higher grade papers.

Public Opinion

A REVISED DIET.

(New York World).

Why should anybody eat potatoes at \$1 a peck when rice can be bought for 4 to 8 cents a pound? One way to curb rapacious food purveyors is to revise diet. It's the surest way to revise prices.

AMERICA HARDEST HIT.

(Boston Transcript).

It is against American shipping and American travel across the Atlantic that the blockade has turned out to be a tremendous success.

GERMANY MUST BE CRUSHED.

(New York Tribune).

There is no chance left of peaceful compromise. We cannot hope to re-establish the principle to which we are committed until Germany is reduced to impotence and consequently to reason. Her mood now is one of madness. Force is the only thing which she respects. She will show no repentance for her manifold crimes and brutalities, until her present power and spirit are crushed.

WHAT IS LOVE?

A New Orleans paper offered prizes for the best answers to the question, "What is love?" There were 23,761 persons who thought they could answer it, but the first prize went to an Alabama woman, who wrote: "Love is the doorway through which the human soul passes from selfishness into service, and from solitude into kinship with all humanity." The second prize was given for this offering: "Love is a chisel that carves into soft outlines the graphite block of stern reality." The sentiment: "Love is what makes red hair golden, white hair silver, and no hair a noble brow," won third prize.

DUKE'S SON, COOK'S SON.

(A. G. G., in London Daily News).

But the fierce necessities of the war are teaching Mr. Jones and all of us a new conception of society and its relations to property. The private interest, the class interest and the property interest are found to be subordinate to the common interest. Whether he likes it or not, Mr. Smith must cease making bicycles and turn all his machinery to the manufacture of shells. Mr. Robinson has built up a nice little business in a prosperous thoroughfare, has a wife and three children and no taste for slaughter. No matter; he is of military age and must close his shop and go to the war. And with him goes Mr. Brown of the Stock Exchange. He has informed the tribunal that he has an income of £5,000 a year, expecting that that handsome sum would distinguish him from mere ordinary people like Robinson, who has only £250 a year. But in this reeling world he discovers that all the old social and property discriminations are waste paper. He is just a man among men, subject like all the rest to an authority, vast, impersonal, tyrannic. He had thought that society existed for property, privilege and influence, and he finds that, instead, these things exist for society which, in its necessity, takes possession with a stroke of the pen and without so much as a "by-your-leave."

STRENGTH OF ARTILLERY STEEL.

(Wall Street Journal).

Modern high-power guns could not be built without steel strong enough to resist pressures beyond ordinary comprehension. At each discharge of field pieces, for less than three-tenths of a second the pressure exceeds 20 tons to the square inch, and speed of projectiles leaving the muzzle is more than 2,500 feet a second. Energy developed is placed at about half a million foot-pounds; considering the cannon a motor working during an exceedingly short time, its rating is about 20,000,000 horse power.

Not only must the metal be able to resist these strains time after time, but to do so under unfavorable conditions, such as high temperatures produced by the explosives. And not only must metal of the gun be as strong as this, but also that of the shell. The shell of a French "75" supports a pressure estimated at 17 tons, work of the device that takes up the recoil reaches about 12 tons to the square inch, and the mount neutralizes at each discharge about two tons.

It has been possible to test in the machine shops the pieces of a battery that has fired several thousand shots and to show that they have suffered not the slightest deformation.

BY ORDER OF GERMANY.

(New York World.)

Over three weeks ago President Wilson went before Congress to announce that he had severed diplomatic relations with Germany because of the imperial government's proclamation of ruthless submarine warfare.

What has happened is that the Atlantic ports of the United States are blockaded by Germany, and our shipowners are afraid to assert their legal rights. Even the American Line ships which carry the United States mail are all held in port by order of the German government.

We are doing precisely what Germany commanded us to do.

Every day that American ships are afraid to put to sea because of German defiance of law and civilization, our rights are invaded, our honor is sullied and our power as a great nation is challenged before the world.

THE BRITISH LOAN.

(Boston News Bureau).

Getting five billion dollars of new war loan money, where at best three billion had been hoped for, is the most convincing testimonial yet offered of British determination to "carry on" with the fight, and of British purse power behind that determination.

This five billions thus pledged is the more notable because it follows practically fifteen billion already borrowed in various forms by the government for war purposes and also an increase of taxation collected so far during the war of two and one-half billions more—taxation to date during the war having been \$4,900,000,000, or more than double the \$2,375,000,000 that would have been raised at pre-war rates.

The greatest war loan raised in Germany totalled three billion and the greatest total of subscribers was 5,279,000. Britain has by impressive margin out-distanced both achievements.

Germany in five loans has raised nearly twelve billion; Britain has now similarly raised slightly over ten billion. German short-term borrowing is about \$750,000,000; British, now largely refunded—has been nearly \$10,000,000,000.

The contrast in money-raising power is emphatic.

THE PINCH OF HUNGER.

(Wall Street Journal).

When not abusing her enemies for "starving" her people, official Germany is occupied in assuring the world she cannot be starved into submission. It is not to be expected that the whole country can be subjected to such a famine as Germany imposed upon Paris in 1870. But for two years the people have been on a continuously diminishing diet. Their hardships increase from month to month, and the future promises worse things.

Early in January the general staff appealed to the people to cease complaints engendered by hardships. In the same week the Berlin Sick Benefit Association, in which working classes are insured, reported that the unusual illness was due to inadequate nourishment. About the same time a Geneva despatch said the prisons at Vienna were filled with women and children who had stolen food. The Hungarian food dictator also said grain at his disposal was 15 per cent of the needs to August 15.

The 1916 potato crop is two-fifths the ordinary, the wheat yield is small, and the imperial commission permits but 25 per cent of the usual amount of barley for malting. Crops usually fed to livestock are not permitted to be so used. As livestock, like humans, cannot exist without food, the inference is plain.

Less than a month ago the German food dictator pointed out that the most careful use of food was necessary until the next harvest. And what of the next harvest? The Vorwaerts summed it up in these words: "The soil has been sucked dry. Agricultural activity is at a standstill."

Phosphate is one of the three plant foods that must be supplied to the soil, and nitrate is another. These two are not mined in Germany. Of the former it normally imports 364,000 tons a year from the United States. Deprived of these essential plant foods for three seasons in succession, what kind of a harvest can the thin soil of Germany be expected to produce in 1917? If the present outlook is dark, what will it be with the realities of the next winter?

Correspondence

THE EASTERN MILLERS — A REPLY TO MISS CORA HIND.

To the Editor of the Journal of Commerce:

It is hard to understand what object the Commercial and Agricultural Editor of the Winnipeg Free Press had in writing as she did with reference to Eastern millers in her article published by the Journal of Commerce, in the issue of February 20th, as one does not like to think that Miss Hind or the Journal of Commerce desire deliberately to injure those concerned.

She wants to know why the Eastern millers did not provide themselves with wheat before close of navigation to fill contracts taken in November. The answer is simply that they did so. The contracts given in November were for December shipment, and the wheat to fill them all went forward from Fort William by water.

During the third week in December, further contracts were made, calling for January and February shipment, and later on for March and April, and it is for these deliveries that the wheat is required.

What more right has the Western miller to ship his flour than the Eastern miller to get wheat to make his?

Even supposing he had orders in November, for say January or February shipment, he would have to compete with the Western miller in securing the orders, and would have to base his price on December wheat, which, during the month of November, averaged more than six cents per bushel lower than November.

Does Miss Hind know positively that the British Government have only bought 1, 2 and 3 Northern wheat? If so, will she explain why that Government, in their specification for extraction, stipulates the percentage for all grades from 1 Hard to No. 6?

Does she know positively that none of the Western mills are using nothing below Number 3?

Does she know that this flour is being bought upon a standard, and that millions of bags have been shipped and used with every satisfaction, and that every single car shipped is inspected and tested by men specially qualified to pass upon the flour, and appointed by the Government for that purpose?

One would think that filling the position she does, in all fairness she would consider more carefully her facts rather than apparently give voice to the sentiments of someone who is prejudiced against the milling industry in this country and leave false impressions which can do no good to anyone, but on the other hand may cause an injury to those who are innocent of any wrong.

FAIR PLAY.

BOLSTER HIM UP.

(Wall Street Journal).

Stand behind the President especially when he leans over backwards.

"THERE'S A REASON."

In an interesting editorial article on "War and the Tariff," The Public (New York), points out that sugar in New Zealand (where none is grown) is now 5½ cents per pound, whereas in Australia (where it is grown) the price is 7 cents. The reason is: in Australia foreign sugar is on the tariff list; in New Zealand it is free!

GERMANY'S WAR DEBT.

(Ottawa Citizen).

The present annual interest on German war loans runs close to 550 million dollars. Hitherto it has been paid by subscriptions to war loans. In other words, money subscribed for fresh loans has been used to pay the interest on the older loans. That is a satisfactory way to keep a business looking prosperous and is in great favor among manipulators of what are known as "blind pools." We had an experience in Canada a few years ago with financing of this sort in the case of Sheldon, the Montreal "wizard." But it is obvious that every new loan must lose more and more value in diverting part of its proceeds to the interest on the older ones. The German minister asks for a credit of so many million marks, but does not mention that a large part of it is to be devoted to keep other loans floating. In turn, the new loan must be sustained by another new one, and so on until the end comes. But with peace such financing must stop. Where, then, will the German people find themselves? Instead of indemnities from her enemies the Teuton government will likely be considering the possible effect of repudiation of debt. That is, at this time, the only escape from crushing, nay, unbearable, burden after the war.

Mentioned in Despatches

THE HON. GEORGE J. CLARKE, former Premier of New Brunswick, did not enjoy his honors very long. The late Mr. Clarke only succeeded to the premiership of the Province some two or three years ago following the resignation of the Hon. J. K. Flemming. A few months ago, ill-health compelled the retirement of Mr. Clarke from office. The Hon. G. J. Clarke was born at St. Andrews in 1857, and was educated in his native town and at Fredericton. He practised law at St. Stephen. Mr. Clarke was first elected to the House of Assembly in 1907, was made Speaker six years later, and, as stated above, succeeded to the premiership on the retirement of the Hon. J. K. Flemming.

MR. FREDERIC C. PENFIELD, United States Ambassador to Austria-Hungary, is likely to be recalled within the next few days. In many respects he has had a more strenuous time than Ambassador Gerard, the United States representative at Berlin, owing to the frequent and illegal activities of Dr. Dumba, the Austrian Ambassador to Washington? Dumba was finally sent home, which added to the strained relations between the two countries, a relationship still further stretched through the activity of Austrian submarines. Penfield is unusually well fitted for his task for he received part of his education in Germany and spent many years there and in Austria. He was born in Connecticut in 1855 and after he had completed his education went into journalism, later entering the diplomatic service. He worked in London and Egypt, before going to Vienna in 1913. He has performed his duties in the Austrian capital with a great deal of tact.

MR. GUY TOMBS, who has been made assistant freight traffic manager of the Canadian Northern Railway, is one of the coming railroad men of the Dominion, and if he were in the electrical business could aptly be described as a live wire. Although still on the sunny side of forty, he has had some 25 years railroad experience, sixteen of which were spent with the Canadian Northern at Quebec and Montreal, his preliminary training being received with the Canadian Pacific Railway and Grand Trunk. Guy is an ardent imperialist, is keenly interested in all progressive movements, both in a civic and national sense, and is one of the most likeable chaps in Canadian railway circles.

FLOYD D. GIBBONS.—Just as some men are born great, others have greatness thrust upon them, etc., so some newspaper men seek opportunities for securing stories and others have stories and opportunities thrust upon them. Floyd D. Gibbons, who was on the torpedoed *Laconia*, was given a fine opportunity to get a scoop for his paper, the *Chicago Tribune*. Gibbons is one of the best known journalists in the United States, and was being sent to the front by the *Chicago Tribune* to cover the coming spring offensive. His interesting story of the torpedoing of the giant *Cunarder* will do much to arouse the American public against the German people. Gibbons has spent most of the last two years covering Mexico for his paper, where he secured an immense amount of good copy in recounting the escapades of Villa and Carranza.

HOLLAND'S RULER.—The latest German atrocities connected with the seven Dutch boats have aroused the ire of the Dutch and it would not be at all surprising if the Hollanders declared war on the Germans. Holland is situated in a very advantageous position from a strategic standpoint, as almost on her border is located the great industrial centre of Westphalia and Essen, where the Krupp works are located. A British Army thrown through Holland could cut the German line and cause the retirement from Belgium and the whole of Northern France. Queen Wilhelmina of Holland is a typical Hollander, stolid and slow moving, but she has shown on many occasions that she has a mind of her own and will only stand a certain amount. Her husband, Prince Henry, is a German, and the higher Court officials are said to be pro-German in their sentiments, but the great mass of the people are pro-ally. The Hollanders are maritime people and have become very angry at the continual sinking of their boats and the cutting off of trade with their colonies and other countries. It would not be at all surprising to see Wilhelmina lead her people into the conflict with the German people.

ADMIRAL MAYO.—If the United States gets into the "scrap" Admiral Henry T. Mayo, in charge of the Atlantic Fleet, will be the country's busiest man. Mayo only recently succeeded to the command of the Atlantic squadron, taking the place of Rear-Admiral Fletcher some six months ago. Mayo's flagship is the super-dreadnaught *Pennsylvania*. The United States Navy is strong in super-dreadnaughts, but lacks a sufficient number of fast destroyers and scouting vessels.

THE RT.-HON. JAMES W. LOWTHER, Speaker of the British House of Commons, stated a few days ago that Great Britain would refuse to negotiate peace with the Kaiser and the present German Government. As Speaker Lowther is, in a sense, the mouthpiece of the House of Commons his utterance may be regarded as an authoritative view of Britain's attitude towards the Kaiser. The Speaker has been a Member of Parliament for nearly a third of a century, and has been Speaker since 1905, receiving a salary, as such, of \$25,000 a year, a free house, and a great many privileges and perquisites. Lowther is a very wealthy man, having inherited a fortune from his father, who had extensive estates and interests in Cumberland.

"JACKIE" FISHER is again back on the job, this time as head of the Inventions Board of the Admiralty. Admiral Lord Fisher has been in many respects the stormy petrel of English politics as they relate to the Navy. When war broke out this doughty old tar was First Lord of the Admiralty, but found it impossible to work harmoniously with Winston Churchill, and resigned his post. Fisher has been connected with the Navy for over sixty years, and worked his way up from a very minor post to the head of the Nation's sea fighting forces. Fisher is a stern old disciplinarian and believes in waging war according to the three R's—Ruthless, Relentless, and Remorseless. He became First Sea Lord in 1904 and practically revolutionized the Navy, scrapping old vessels and making that arm what it is today. Despite the fact that he is hard to get along with and has been a sort of perpetual storm centre, he has many friends who have been calling on the Government to use Fisher's many abilities in some capacity in connection with the Navy.

LORD REAY.—Members of the Mackay clan will regret the passing of Lady Reay, wife of Lord Reay, head of the Mackay clan. Lord Reay himself is seriously ill, and as he is in his seventy-eighth year his recovery is doubtful. Lord Reay, although head of the Mackay clan, is not a Scotchman but a Dutchman by birth, and attained the headship of the clan through his marriage to Lady Reay. Lord Reay had been prominent in the diplomatic service of Holland when his marriage brought him to England, where he became a particular friend of the late William Ewart Gladstone. Gladstone conferred an English baronetcy upon him, made him Governor of Bombay, later Secretary of State for India, and gave him a seat in the Privy Council. In addition to these activities Lord Reay was for a number of years Chairman of the London School Board, President of the Royal Asiatic Society and of the British Academy, and connected with many other scientific and philanthropic institutions.

LLOYD GEORGE'S UNCLE and foster father and the man who gave the "Little Welshman" his start in life has joined the Great Majority at the age of eighty-two. Lloyd George's parents died when he was a child, and an uncle, Richard Lloyd, took David Lloyd George and his brother and sister to Wales, and divided his little with the orphan children. The uncle was a shoemaker by trade and eked out a mere pittance. On Sundays he was the local preacher in a Baptist Church, while at all times he was an ardent politician and a keen student of the social and economic handicaps under which the working people of that time were forced to exist. It was from his old shoemaker uncle that Lloyd George had burned into his soul the convictions regarding Welsh Disestablishment, old age pensions, compulsory insurance, better labor laws, and the curtailing of the power of the aristocracy, which he afterwards crystallized into legislation. Lloyd George himself admits that every impulse for good which he received came from his foster father. He used to speak of him as his "foster parent, guide, philosopher, and friend."

SIR RABINDRANATH TAGORE, the famous Indian poet and author, has added immensely to his reputation since the outbreak of hostilities, some of his poems proving to be masterpieces. Tagore was born in India and educated at native colleges and later in England. He has translated a number of his Bengali poems and in 1913 won the Nobel Prize for literature. Altogether, he is the author (in Bengali) of about thirty poetical works, and an equal number of prose works, including novels, short stories, essays, and dramas. He visited this continent a short time ago.

SIR ARTHUR LEE, M.P.—Great Britain has now a director of food production, in the person of Sir Arthur Lee, M.P. The new office has been created as a result of German submarine activity, the food production director working in harmony with the food dictator and the blockade minister in an effort to increase production and conserve supplies. Sir Arthur Lee has been Member of Parliament since 1900. He was born in England in 1868 and educated at Woolwich and then entered the Army. He is well known in Canada as he was a professor at the Royal Military College, Kingston, for several years, later going as British Military Attache with the United States Army during the Spanish-American War. He has travelled extensively and is a particularly well informed individual.

DR. BELAND.—Efforts are being made to secure the release of the Hon. Dr. Beland, former Postmaster-General in the Laurier Cabinet, who is now a prisoner in Germany. At the outbreak of war Dr. Beland was in Belgium and remained in Antwerp in connection with Red Cross work. He was wounded and taken prisoner when the Germans captured that city. For over two years he has been confined in German prisons, the authorities even refusing to let him go to his wife when she was dying. Dr. Beland was one of the best known, most progressive, and best liked of the Members of Parliament. He was born in Quebec Province in 1869 and educated at Laval. He was in the local Legislature for several years, but for the past sixteen years has been a Member of the House of Commons, and was made Postmaster-General a short time before the defeat of the Laurier Government. The Ex-Postmaster-General is an effective speaker in both French and English, and it is no exaggeration to say that he was the best liked man in the House of Commons.

SIR EDWARD MORRIS, Premier of Newfoundland, who is attending the Imperial Conference in London, is a native of the Ancient Colony, having been born in St. John's in 1850. It is stated that one of the questions to come up at the Imperial Conference has to do with the entry of Newfoundland into Confederation, a movement which would be warmly welcomed in Canada and, it is believed, would meet with more favor in Newfoundland than at any time in recent years. Premier Morris is an outstanding figure of the Ancient Colony, and wields a great influence among the people. Under his regime the country has prospered greatly and from being a purely fishing country has become an important mining, lumbering, and paper making centre. Sir Edward Morris was first elected to the House of Assembly in 1885, becoming Cabinet Minister four years later, and has been premier of the country for the last eight years. He studied law in Ottawa, and consequently knows Canada and is most sympathetic towards a closer relationship to this country.

H. V. CANN.—Maritime Province men, and especially the Bluenoses, seem to possess an almost uncanny power to get to the head of our financial institutions. H. V. Cann, who has resigned his position with the Federal Reserve Bank of New York to become assistant general manager of the Bank of Ottawa, is a Canadian who got his first banking experience with the Bank of Nova Scotia. He joined the Bank of Nova Scotia as a lad of fifteen in North Sydney some twenty-five years ago. After that he served in many parts of the country, including Montreal, and at the head office in Toronto for a period as inspector. Some years ago he went to New York, where he was in turn treasurer of the Central Leather Company, head of the Foreign Exchange business of the National City Bank, and later connected with the Federal Reserve Bank. While connected with the National City Bank he was sent to South America to report upon banking facilities and trade openings among the Latin American countries. He is a frequent contributor to the financial press, his articles being characterized by a keen insight into economic conditions. For the past little while he has been writing monthly articles in the *Century* on finance and banking. Mr. Cann is a brother-in-law of Mr. H. S. Ross, K.C., of this city.

British Import Embargo and Canada's Opportunity

By FREDERICK WRIGHT.

A new fact must be faced by Canada, owing to the Lloyd George import embargo, namely that she has lost, through the exigencies of war, a large export trade for the next five years, reaching in value in round figures \$40,000,000 per annum, though this is but a small part of the merchandise exported last year from this country, which amounted to \$446,427,600 (including munitions, but excluding coin and bullion the total exports of Canada for the year ending November 29 reached the huge sum of \$1,973,565,600). The list of excluded commodities contains about twenty articles which effect this country, from machinery to apples. This embargo against Canadian exports should be accepted in the best spirit in this country, and, as a matter of fact, it is by the thinking people, but somehow or other our producers, manufacturers and exporters, who have made splendid profits since the war started, on the greatest trade boom that Canada has ever experienced, have come to look on anything that interferes with those profits, come the interference from where it will, as some kind of injustice. No doubt some men, particularly those interested, will think this too sweeping a statement, but the main facts are well proved in the keen anxiety shown by those who might be effected, on receipt of the first news of the embargo, and when the list of prohibited articles was published in the exultant "thank goodness" of those not touched and the growl of the effected ones who even went to the extent of urging the Premier and Sir George Perley to interfere, which to say the least, must have put our representatives now attending the Imperial Conference in an embarrassing position. Such a selfish spirit is not good advertising for this country.

But the British import embargo, while it will serve as a temporary check on some of our export trade, will also do much to develop the industries of this country. It will have forced us to take stock of ourselves industrially and commercially; it has suggested to us how to solve our own problems of shortages and high prices, and has pointed out the way to develop new markets for our commodities.

As already mentioned, Canada, last year, exported over a billion dollars worth of goods, at exceptionally good profits, but this huge trade is abnormal for Canada and when peace comes a reaction will set in, and unless we find new markets our export trade figures will drop to less than those of 1913, the year previous to the war when the value of our exports stood at around \$400,000,000. It would, therefore, be wise for the manufacturers and exporters of this country to make a more intelligent study of the investigations that the Department of Trade and Commerce has been making with the idea of securing new markets for Canadian products. Strange to say the valuable information acquired by the commissioners of the department has been used very sparingly even by those it would most benefit, and when a national conference was called by Sir George Foster, to study the problem, so little response was made that the meeting was finally called off. Canada has much to learn in this respect, if she would conserve her forces so that when one market is closed she can find other markets with the least possible delay and cost. For instance, there is no good reason why the British embargo should stop the production or manufacture of any of the articles prohibited. If the commercial forces of the country were properly organized new markets would at once have been found. But the truth is that considering its good resources and central geographical position and the valuable and up-to-date commercial information now in the archives at Ottawa waiting to be used, this country is the most backward of the modern nations in commercial enterprise.

The exports of Canada during this last year show big profits, but in normal times returns from produce and fruits have been comparatively very low. Mr. Sanford Evans who knows more about wheat and its marketing than most men, has stated more than once that Canada for many years has had the unhappy knack of marketing her wheat at the time of the year when prices were lowest and supplies were biggest, with the consequence that though she grows the best wheat in the world she on an average gets the lowest prices. During the same period she has been shipping her best farm produce, such as cattle, cheese, butter, eggs, and fruits at prices low enough to be retailed in London, or any part of England,

cheaper than could be bought in the stores in Montreal or Toronto. A lack of business acumen is shown when such a condition of things is allowed to exist in the export trade of a country. There is no doubt that if the war had not intervened and forced prices sky high, the producers of this country would have been compelled to adopt more economic methods of marketing their commodities, as indeed they will be when peace comes with its reaction in prices.

Thus perhaps the consumer in Canada will be shown more consideration, as indeed he should have been from the first, and with more profit to the producer. One of the principal reasons, of high prices for foodstuffs in Canada, for the last few years, and the exceedingly high prices of to-day, is this same short-sighted policy of exporting without any sense of demand with correspondingly poor returns, which had to be made up by high prices from the poorer qualities left in Canada and sold to the Canadian public. For be it understood that the inspection in England of imported cattle and food stuffs is rigid. One ventures to say that if the policy of catering to the home market first was adopted there would be a much larger consumption of home grown and home fed produce. At least this has been the experience of all progressive productive countries.

In an intelligent catering for the home market first the producer will get a better grasp of the needs of the consumer and will grow accordingly, and the same intelligence carried further afield to other markets will give correspondingly better returns.

To sum up, the great lessons that the British import embargo should teach us, in Canada, are to grow, breed and manufacture all we can, first for the home market; second for the requirements of the Old Country, the rest of the Empire and our Allies, and third, for the foreign market. But start with the home market or reverse the present system of the home market being catered to last of all.

CANADA'S DUTY IS CLEAR.

Mr. Sanford Evans, who recently gave a very illuminating address before the Ottawa Board of Trade on "Wheat and its Marketing," in discussing the British import embargo and its effect on Canada, draws some very interesting conclusions, which are worth repeating. In part they read as follows:

"We are told that the problem is one of ocean tonnage; therefore, Canada's duty is clear, since to the extent to which she can supply essentials she can effect the release of more tonnage than can be accomplished in any other way. On the basis of what Canada has consumed in the past we can work out our own probable requirements this year, but we can restrict the variety of our own diet if by concentrating on the production of essentials we can better accomplish the two-fold purpose of having enough for our own health and comfort and also the reserves that will materially relieve our Allies."

"Our efforts must not be confined to wheat. In winter wheat districts the seeding time is already long past, and in spring wheat districts the safe seeding time is at best short. We can never seed all our land to wheat in this country, even with much more fall ploughing than was done last year. After we have done our best with wheat there will be a great deal of planting time and abundance of land to be used in other ways. The new provisions in Great Britain may lessen her demand for oats and barley. Moreover, an appeal on a few things like wheat, oats and hay would reach only a limited number of producers. There is the man and the woman who could work the small piece of ground. And Great Britain needs more than wheat, oats and hay."

— Advised to Grow Beans.

"To take only one example. She is receiving every week shipments of peas and beans from China, Japan, the British East Indies and Madagascar. In as far as Canada could offer suitable supplies it would release two-thirds of the freight room now so employed. Canada has never produced enough beans for her own consumption, and there never has been such an opportunity to lay the foundation of a permanent export trade in canned beans."

"Our plans should be laid to produce the things needed in the proportions to which they are needed. Anything else is economic waste of seed, labor and land. Lloyd George does not apparently contemplate

calling upon us for potatoes. In an average season Canada has been producing more potatoes than she requires. After taking into account exports and imports and making allowances for seed, there was available for the use of the people of Canada, during the five years before the war, on an average, about three times the quantity of potatoes per head of population than was available for the people of the United States. Moreover, the quantity of potatoes thus available per head of population for every day of the whole year was greater than the allowance made by lumbermen per day for their shantymen in winter time.

Must Eliminate Waste.

"Waste must be eliminated as far as possible. Every bit of everything should be turned to good account. If Great Britain takes no apples from us we will, with an average season, have about one million barrels to spare. For this excellent food-stuff to be wasted would be a crime. To what extent can apples be used as a substitute for other things that would occupy land this season. Experts can tell us what is possible, if the people are willing to respond."

"Another most important point for consideration and organization is that of seed. Unless some steps are taken to locate the present supplies and suggest means of obtaining seed much less planting will be done than could and should be done."

Advocates Food Supply Commission.

"By what exact agency this planning and organizing is carried on does not, perhaps, matter, so long as the work is done. I, myself, have from the beginning of the war advocated a food supply commission for Canada, but if the department of agriculture by itself, or in co-operation with other departments, is taking hold of the problem systematically and aggressively an important result can be accomplished. One thing is certain, however, and that is that planning and effort on a different scale and of a different kind from any adopted by this country up to the present time is required. It is not a question for this year only. The new British plans for home production cover five years. The whole nature of our market in Europe will be altered, perhaps radically, and we must be equipped and alert to adapt our production to the changing needs of the market."

MINISTER OF TRADE AND COMMERCE AND THE EMBARGO.

Sir George Foster in an interview on the Lloyd George import embargo said:

"In many lines our exports will be cut down. In the matter of timber and fruits and fish and agricultural implements we shall be most largely affected, but on the other hand all our staple food supplies will be required to the maximum of our production, and we shall cheerfully make the best of the situation, sustained by the feeling that in sharing the troubles and sacrifices we are more intimately associating ourselves with the Mother Country and the Empire at large in the common purposes of the war."

"I wish it could so work out that we in Canada would do what we have not yet begun to do, namely, to sacrifice some of our pleasures and indulgences and expensive and unnecessary modes of living, and so keep pace voluntarily here with what becomes compulsory in the Mother Country. Later, and perhaps not very much later, it may become compulsory here, for it surely is not right for us to diminish by extravagant and wasteful methods of living and by declining to submit ourselves to restrictions which touch no essential point of health or real comfort the precious and essential supply of food and other materials that are becoming so necessary to the success of the war."

"Lloyd George has struck the big note of the war—it will enter every ear and will appeal to every loyal heart within the empire. The first shudder at the grave situation revealed will be succeeded by a courage and determination, armed by a knowledge of the real truth, which will work its will to victory with sure and certain steps."

LOBSTER PACKERS AT OTTAWA.

A delegation of lobster packers from Halifax, who interviewed the Minister of Trade and Commerce, at Ottawa, regarding the British Embargo on lobsters learned that the embargo "restricts only fifty per cent of lobsters." The delegation consisted of Hon. Mr. O. Melanson, Shediac; J. A. Neville, Halifax; Richard O'Leary, Richibucto.

AMONG THE COMPANIES

CANADA STEAMSHIP LINES, LIMITED.

Last year's net earnings of the Canada Steamship Lines, Limited, exceed \$4,000,000 as compared with \$1,732,000 in 1915 and \$928,000 in 1914. After the regular charges the profits for the year amounted to \$2,391,027, as against \$662,151 in the previous year, and a net loss of \$59,932 for the year 1914. After allowing for the 7 per cent on the preferred stock for the year, the earnings on the common stock would have amounted to slightly over 12½ per cent, and if the net profits on sales of fixed assets were included, the percentage on the common would have amounted to 13.40 per cent.

The principal accounts compare as follows:

	1916.	1915.
Operative Revenue.		
Vessels	\$11,819,539	\$7,399,818
Docks and wharves ...	172,472	165,707
Miscellaneous	65,239	114,884
Other revenue	64,877	94,624
Total revenue	\$12,122,128	\$7,775,034
Expenses	8,062,583	6,042,977
Net earnings	\$4,059,544	\$1,732,057
Charges	1,667,517	1,069,905
Year's profit	2,391,027	662,151
Surplus Account	1916.	1915.
Previous Balance	\$ 20,883	\$ 570,432*
Profit	2,391,027	662,151
Prop. on sales	179,979	3,971**
Deduct	\$2,571,007	\$ 658,180
Org. expenses	86,387	65,835
Stock discount	1,028	1,028
Dividends	656,250	.....
Surplus	1,848,225	20,883

(*)—Deficit. (**)—Loss.

During the year three payments of 1½ per cent were made in respect to deferred dividends on the preference shares of the company, and a further payment on March 1st of this year of 7 per cent will leave a balance of 5½ per cent due, which, when paid, will wipe out all arrears to December 1, 1916.

ST. JOHN RAILWAY COMPANY.

The St. John Railway Company has passed into the hands of new interests.

The offer of the New Brunswick Investment Company for the purchase of the company for \$1,300,000 and \$10 a share additional, was accepted at a special meeting of the shareholders this month, the transfer to take place on or about February 28th.

The purchasing company will, in turn, transfer the property to the New Brunswick Power Company, a corporation controlling waters which it is their intention to develop for hydro-electric power for the use of the local company.

The St. John Railway Company has a monopoly of the street railway privileges of the sale of electricity for light and power and the sale of gas. The present owners are retiring without the formality of an annual meeting and no annual report for 1916 has been issued.

TRETHEWAY MINE, LIMITED.

The annual report of the Tretheway Silver-Cobalt Mine, Limited, for 1916 shows a profit of \$64,664, during the seven months operation, the mine only operating from June 1st following the improved market conditions of the early months of 1916. During the seven months 227,635 ounces of silver was produced, being approximately \$9,200 per month. There was an additional profit of \$15,201 resulting from the sale of silver on hand December 31, 1915, bringing the total profit for the year up to \$79,865.

TWIN CITY RAPID TRANSIT.

Twin City Rapid Transit in its statement for January shows gross increase more than offset by increased operating expenses and changes as follows:

	1917.	1916.
Gross revenue	\$897,932.80	\$830,233.37
Operating expenses	612,161.32	543,199.31
Net revenue	285,771.48	287,034.06
Fixed charges and taxes	149,363.18	145,951.57
Net income	136,408.30	141,132.49



MR. JAMES CARRUTHERS,
President Canada Steamship Lines, Limited.

BRITISH COLUMBIA PACKERS' ASSOCIATION.

The annual report of the British Columbia Packers' Association for the past year showed a large decrease from the records of 1915, the comparative figures being \$257,808 and \$475,747. The balance carried forward from 1915 was \$1,072,845, making the total \$1,330,653.

From this total dividends on the preferred and common stock accounted for \$171,689. An amount of \$78,991 was written off for depreciation, Contingent reserve took \$5,000, war tax took \$34,202, Patriotic fund \$1,200 and \$58,292 was written off as a loss on two steamers lost during the year.

After deductions amounting in all to \$349,376 there was a balance of \$981,277. Under contingent liability bills under discount are given as \$108,402.

The British Columbia Fishing and Packing Company, the Hold Company received \$167,500 in dividends from the British Columbia Packers' Association in dividends, which was disbursed to the shareholders in dividends.

RIORDON PULP AND PAPER CO.

The Riordon Pulp & Paper Company have a rising plant at Haileybury, Ont., which has been in successful operation for some time. It is intended to erect a 500-ton sulphite mill in connection with this site.

The survey for the mill is now being pushed with all possible speed.

EASTERN TRUST COMPANY.

The annual meeting of the Eastern Trust Company, was held a few days ago at Halifax.

In speaking of the year, the directors in their annual report say it has been one of steady progress and they proceed:

"Last year the balance at the credit of profit and loss was \$26,829.96 and this has been increased this year to \$37,997.88. Notwithstanding the distribution of estates to the amount of \$1,019,070.19 the trust estates have increased from \$16,313,513.81 in 1915 to \$18,342,421.64.

The assets of the company now stand at \$18,342,421, an increase of over \$2,000,000 during the year. They are exceedingly liquid, and could be realized on if necessary in the shortest possible time. The company has invested \$600,000 in the Canadian war loans. The regular dividend of 8 per cent was paid.

MILLS CHANGE HANDS.

The Canadian Cereal and Flour Mills Company has disposed of its 400-barrel mill at London, Ont., to the Quaker Oats Company, along with the right to manufacture the Tillson package brand of oatmeal. The Quaker Oats Company has also purchased a 300-barrel mill at Neepawa.

RAILWAY EARNINGS.

C. P. R. Returns Hold at Record Level.

In spite of all the obstacles encountered by operating department of the Canadian Pacific Railway as the result of heavy snowfall, cold weather and congestion at terminal points the January earnings, both gross and net, were the largest ever reported for that month. As six months' earnings to December had constituted new records, it follows that the seven months' showing also stands as the best in the history of the company.

Substantial gains in gross and net were reported for January, the increase in the former amounting to \$1,569,481, or better than 18 per cent., and in the latter to \$341,070, or better than 16 per cent. How this showing compares with that of January in each of the past eight years appears in the following table:

January.	Gross.	Net.
1917	\$10,158,307	\$2,431,478
1916	8,588,826	2,090,408
1915	6,109,026	1,140,233
1914	7,916,216	1,000,174
1913	9,679,607	1,662,374
1912	7,328,782	1,082,858
1911	5,740,206	656,118
1910	6,104,427	1,316,596
1909	4,761,860	389,750

The net earnings for seven months reported this time a year ago were a new high record for the company, but gross stood considerably below the levels of the 1912-13 and the 1913-14 periods, the previous high records. Gross earnings, like net however, move into new high ground in the return for the first seven months of the company's current fiscal year. Comparisons of seven months' figures for six years show:

Seven months to January 31st.

	Gross.	Net.
1917	\$86,876,273	\$33,306,244
1916	75,058,989	31,714,595
1915	62,047,151	20,813,809
1914	83,202,378	28,211,610
1913	83,205,798	28,793,526
1912	69,895,147	25,553,105

TRAMWAYS COMMISSION.

The Montreal Tramway Commission, which is now organized for work under the chairmanship of Senator J. P. B. Casgrain, will conduct its sessions in the Sauvegarde Building opposite the Court House.

NIPISSING MINES CO.

The estimated profits of the Nipissing Mines Co., for January were \$95,249—somewhat under normal. This was due to a cleanup at the plant which precluded capacity operations.

January statement follows:

Estimated production	\$173,988
Operating cost	78,739
Profits	95,249

The advance in silver has had a very beneficial effect on Nipissing, both as to current earnings and in raising the values of ore in reserve.

The company lately started an innovation in the shipment of bullion across the Canadian continent on its way to the Chinese and Indian markets, at times the most influential in the world.

DOMINION STEEL FOUNDRY COMPANY.

The Dominion Steel Foundry Company earned \$927,000 in the recently closed fiscal year, which is equal to 92.76 per cent on the common capitalization. The annual meeting was held a few days ago at Hamilton, Ont.

The management estimates that in the current fiscal year the output of the company will run approximately 100,000 tons of steel, as against an output of 60,000 tons in the year just closed. That the concern is in an extremely strong position, financially, is indicated by the fact that liquid assets are now approximately \$1,000,000, as compared with a total capitalization of \$1,750,000. During the fiscal period just closed the total disbursements to the common shareholders amounted to 40 per cent or \$400,000. The dividends on the preferred amounted to 7 per cent, or \$52,500.

NOVA SCOTIA STEEL & COAL CO.

The long looked for statement of the Nova Scotia Steel and Coal Company rather depressed the "Street" which had been looking for unusually large earnings. Further criticism is made because of the change in the statement issued by the company at the end of its regular fiscal year, as compared with that for the six months' period, which was issued at the time the securities of the company were listed on the New York Stock Exchange. At the end of the six months' period profits shown were \$2,347,429, but in the report it was pointed out that this profit, while it included interest, sinking fund and preferred dividends, did not provide for depreciation, war tax and reserves.

At the end of the full period of twelve months appropriations from these profits amounted to \$1,490,586, and were taken for the year as a whole without any special adjustment for the first half year, or the second half year. The gross profits for the year of \$4,222,373 were also shown in the same way for profit and for special renewals of plant and equipment, this provision being made in the regular way at the end of the full twelve months' period.

The principal features of the profit and loss account with comparisons with the previous year, are as follows: (owing to the changes in the form of the statement, in some cases only the totals are given).

	1916.	1915.
Profits after maintenance and renewals, but before deducting 1916 dep. int. charges, etc.	\$4,222,373.97	
Deduct: Prov. for dep. business profits, tax for 1915 and 1916, Patriotic con. S. E. int. and res. for doubtful accounts	1,490,586.10	
	\$2,731,786.97	\$2,094,169.85
Deduct: Int. on bonds	\$ 289,359.89	\$ 291,665.45
Int. on deb. stocks	240,000.00	189,452.10
Int. on bank advances	97,949.37	
	\$ 627,309.17	
Net profit for year	\$2,104,477.80	\$1,519,699.18

The net profits of the year added to the surplus carried forward from the previous year, brought the total amount available for distribution up to \$3,615,986.98. From this amount dividends on 8 per cent accumulated preferred stock for year to December 31, 1916, required, \$80,000.00

Making total balance at December 31st, 1916, \$3,535,986.98. Equivalent to approximately 36 per cent on common stock. No action was taken by the directors in the matter of a dividend on the common stock.

BEAVER MINES.

According to Manager Frank L. Culver, of the Beaver Consolidated, another high grade vein has been struck at the lower contact. The new vein is parallel to the one recently cut in the crosscut. Between the two veins there is seven feet of wall rock heavily impregnated with leaf silver.

The first vein struck is from four to six inches in width, while the width of the second vein has not yet been determined. In the opinion of the mine managers, however, the second vein appears to contain more silver than the first.

CANADIAN NORTHERN RAILWAY.

The monthly statement of earnings and expenses of the Canadian Northern Railway System shows an increase in net earnings of the road in the month of January. Gross earnings for the month amounted to \$2,832,600, being an increase of \$745,800 over the January earnings in 1916 of \$2,086,800. Operating expenses during the month were considerably higher than a year ago, with a total of \$2,350,500. The net earnings for the month amounted to \$482,100, an increase of \$226,700, or 88.8 per cent., over net earnings of \$255,400 in January, 1916. The earnings compare as follows:

	1917.	1916.	Increase.
Total gross earnings	\$2,832,600	\$ 2,086,800	\$ 745,800
Operating expenses	2,350,500	1,831,400	519,100
Net earnings	482,100	255,400	226,700
Ag. gross earn. from			
July 1st.	24,464,100	19,438,400	5,025,700
Ag. net earning from			
July 1st.	6,778,200	5,779,900	998,300

BLACK LAKE ASBESTOS & CHROME CO.

The war, combined with a more efficient management than had characterized the company's operations in pre-war days, has put the Black Lake Asbestos and Chrome Company on its feet. The financial statement for the year shows net earnings of \$63,655, equivalent of 2.12 per cent on the junior security. This compares with a net of \$20,287 in 1915, an increase of \$43,368.

Out of this a provision of \$41,832 was made to depreciation reserve, leaving a balance of \$21,823, the equivalent of .73 per cent on the common, to be added to profit and loss account.

The company began 1915 with a deficit balance of \$64,557 at profit and loss, from the 1914 operations. At the end of the year this had been turned to a credit of \$44,270.

Gross profits were sufficient to provide for interest at rate of 2 per cent on the income bonds for the second half of the year, as well as the liberal allowance for depreciation mentioned above. At the same time the directors point out that under the trust deed, operations of each interest period must be kept distinct and a reserve for future payments cannot be accumulated, and that it is too soon yet to be sure of regular payments on the bonds. In the year asbestos output was about the same as in 1915, while the output of chrome increased materially. The combined output would have been larger but for the shortage of labor, which has caused the company considerable embarrassment. While the price of the product has advanced, there has been a corresponding increase in wages and supplies.

Nearly the whole of the estimated output of asbestos and chrome for 1917 has been contracted for at satisfactory prices. Prospecting is being continued, and a favorable outcome is hoped for.

Probably the most gratifying feature of the report is contained in a small paragraph which states that what is hoped to be the last valid claim against the Black Lake Consolidated Asbestos Company, liability of which was assumed by the purchasing company, has been disposed of.

MACKAY COMPANY.

Mackay Company declared quarterly dividend of 1 1/2 per cent on common, an increase of 1/4 of 1 per cent. Also regular quarterly dividend of 1 per cent on preferred, both payable April 2nd, to stock record March 10th. The increase in the dividend was foreshadowed in the president's remarks at the annual meeting a few days ago.

MONTREAL COTTONS LIMITED.

A very satisfactory report was presented by Montreal Cottons Limited, at the annual meeting held here a few days ago.

The general business of the company was exceptional as shown in the increase of sales which advanced from \$3,055,366 in 1915 to \$4,397,823. The president pointed out that the demand at the present time justifies confidence for the present year, the outlook being as bright as it was a year ago.

Manufacturing profits for the year were \$473,688, compared with \$394,898 in 1915, and after dividends, bond interest, etc., the balance carried forward was \$116,782, against \$24,008 the previous year.

In his remarks to the shareholders, S. H. Ewing, the president, pointed out that notwithstanding the fact that the manufacturing account shows a heavy increased cost for all materials, particularly raw cotton, dyes and bleaching materials the statement is a very satisfactory one.

HOLLINGER CONSOLIDATED GOLD MINES.

Gross profits amounting to \$217,100 are reported by Hollinger Consolidated for the four weeks ending January 28th, which is \$28,900 less than the existing dividend requirements, but \$94,100 in excess of the requirements under the reduced rate.

During the January period the mill ran 85.5 per cent of the possible running time, and 399 tons more ore was milled than was hoisted from the mines. The ore averaged \$8.71 per ton in January compared with \$8.49 in December.

Hon. E. H. Bronson, vice-president of the Ottawa Light, Heat and Power Company, presided at the annual meeting held a few days ago.

GERMANY'S BUDGET.

5,035,000,000 Marks Total Expenditure for This Year.

This year's imperial budget amounts to 5,035,000,000 marks as against 3,758,000,000 marks last year, or an increase of 1,277,000,000, it was announced in the Reichstag, Friday, February 24th, by Count von Roedern, the finance minister.

The ordinary income provided for in the budget amounted to 4,941,000,000 marks, as against 3,659,000,000 marks, Count von Roedern stated, while the extraordinary budget totalled 93,000,000 marks, as against 99,000,000 marks.

"The new expenses," says the Overseas News agency's summary of the address, "which amount to 1,250,000,000 marks, will be covered by taxes in order to maintain the safe practice all along observed in war financing. Thus, the subscribers to the war loans are assured that the interest on the loans will be regularly provided for by taxation. New income by taxation will be obtained by means of the most simple system one which will produce good revenues without creating difficulties in organization. Additional revenues, it was pointed out, must be available during the time of transition, thus making it possible to discuss calmly the larger and more systematic programme which must be adopted after the war."

"The new taxes will be on war profits and also on coal, the revenue from which latter is estimated at about 500,000,000 marks, while additional taxes on traffic are estimated to produce about 300,000,000 marks."

C. N. R. RAILWAY APPOINTMENTS.

Several appointments are announced by the Canadian Northern.

Mr. E. Langham, formerly purchasing agent, western lines, Winnipeg, has been made general purchasing agent, Toronto.

Mr. Guy Tombs, formerly general freight agent, has now general supervision of freight traffic eastern lines, with the title of assistant freight traffic manager, office, Montreal.

Mr. Jas. Orr, heretofore assistant to general traffic manager, Toronto, becomes general freight agent at Montreal.

Mr. P. Mooney, formerly representative of both freight and passenger departments at Halifax, N.S., becomes assistant general freight agent, at Toronto, and Mr. W. A. Cunningham, who has been city ticket agent, C. N. Ry., Montreal, returns to his former home as division freight and passenger agent, Halifax and South Western Railway, Halifax, N.S.

PENMANS LIMITED.

The financial statement of Penmans, Limited, which was submitted to shareholders at the annual meeting at Montreal on Monday, adds another to the lengthy list of record-breaking returns from Canadian industrial corporations.

Sales for the year ended December 31st last totalled \$5,840,128, an increase of \$1,097,214, or 23 per cent. over 1915, and net earnings, after bond interest, allowance for bad debts and machinery scrapped, were \$738,753, an increase of \$95,605, or 15 per cent. The comparisons in each case are made with a year that had ranked as the best in the company's history.

Before deductions for reserve, the appropriation under this head being \$400,000, together with \$10,000 for the Patriotic Fund and \$104,219 as war tax, the net earnings as shown were equal to 69 per cent. on the preferred stock—against 59.8 per cent. the previous year. The balance after preferred dividend was equal to 31.4 per cent. on the common shares against 26.9 per cent. the previous year. In view of this showing the distribution of 2 per cent. in bonuses in addition to the regular 4 per cent. dividend on the common stock would appear conservative.

After all deductions, dividends, reserve war tax, etc., the company had a net surplus of \$52,593 to carry forward out of the year's earnings, bringing the total at credit in profit and loss up to \$672,492, while reserve account now stands at \$1,500,000.

HE KNEW.

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

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

Up went a hand in the front row.

"Well, Tommy?"

"The porcupine."

BANK OF MONTREAL

Established 100 Years (1817-1917)

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

BOARD OF DIRECTORS:

SIR VINCENT MEREDITH, BART. President.
 C. B. GORDON, ESQ. Vice-President.

R. B. Angus, Esq.	E. B. Greenshields, Esq.	Sir William Macdonald.
A. Baumgarten, Esq.	Lord Shaughnessy K.C.V.O.	C. R. Hosmer, Esq.
Wm. McMaster, Esq.	H. R. Drummond, Esq.	D. Forbes Angus, Esq.
	Capt. Herbert Molson.	Harold Kennedy, Esq.

Head Office, MONTREAL

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

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

MONTREAL STOCK EXCHANGE.

A considerable improvement was shown in the local Stock Exchange during the past week; not so much in the volume of business, but in regard to price changes. Nearly every stock on the list showed an advance, in some cases as high as 6 points. The only important issue showing a decline was Nova Scotia Steel and Coal Company, which reacted as a result of the failure of the directors to announce a dividend.

Brokers are becoming bullish, and in circulars to their clients are advocating the purchase of stocks at present prices, declaring that they are now at broken levels and are sure to enhance in price before very long. There is no doubt but that the market has been in a waiting attitude for some time. It had a severe slump on rumors of peace, and then came through the troubles of a possible war. In fact, it is now almost shock proof, and should improve its position, no matter whether the United States goes to war or remains at peace.

Comparisons of last week's business with the preceding week and the corresponding week a year ago follow:

	Week Ending		
	Mar. 3, 1917.	Feb. 24, 1917.	Mar. 4, 1916.
Shares	19,536	17,433	13,328
Mines	200	160	445
Rights	3,220	3,412	.....
Bonds	\$219,450	\$1,012,825	\$112,600
Unlisted	970	713	625

RETAIL GROCERS DINE AT OTTAWA.

Upwards of 300 manufacturers, wholesale and retail merchants attended the annual banquet of the Ottawa Retail Grocers' Association held last Thursday evening, at the Masonic Temple, Ottawa.

The splendid work which the association has accomplished in the past was emphasized by the addresses of a number of the speakers, who also discussed the high cost of living and assailed the government for the stand which the department of labor had taken in stigmatizing the merchants on this account.

In replying to the toast to the guest of honor Sir Wilfrid Laurier expressed his deep appreciation of the honor which had been conferred upon him, and continued:

"Canada is in the war today because the parliament and the nation behind it has decided to support the Motherland to the last ditch, in the fight for world freedom against Prussian militarism and barbarism."

Speaking for the wholesalers and manufacturers, Mr. A. E. Provost said that the high cost of living was the absorbing question of the day.

"You don't need politicians, men who have never swapped knives, to investigate this question," stated Mr. Provost, amid laughter. "I suggest that the government look elsewhere than to our merchants for the cause of the high cost of living. They don't do it this way in England."

INLAND TRADE COMMISSION.

The committee appointed by the manufacturers and merchants, to prepare plans for the Inland Trade Commission, waited upon the Hon. T. W. Crothers and Sir George Foster, at Ottawa, last Friday. The committee consisted of Hugh Blain, Toronto; H. G. Baskett, Hamilton; Armand Chaput, Montreal; Gerald Fitzgerald, Ottawa; W. C. Miller, Toronto; Stanley Cook, Montreal; Henry Waters and E. M. Trovwen, Ottawa, representing the Retail Merchants' Association. Messrs. Trovwen and Waters will meet the ministers again.

CANADA'S DEBT.

The following table shows how the various items of Canada's funded debt and the temporary loans as now existing compare with pre-war basis:

Payable—	Funded Debt.		
	July 31, 1914.	Dec. 31, 1916.	Increase.
Canada	\$ 779,000	\$308,806,000	\$308,027,000
England	319,433,000	262,703,000	43,270,000
New York	Nil.	75,357,000	75,357,000
Total	\$320,212,000	\$746,866,000	\$426,654,000
Temporary loans	8,273,000	120,905,000	112,632,000

Total \$328,485,000 \$867,771,000 \$539,286,000
 To the increase of \$539,286,000 indicated by the table should be added \$45,859,000, the increase of uncovered legal tender note issues of the Dominion Government—making an aggregate of \$585,145,000 in twenty-nine months, or say two and a half years.

STANDARD BANK ANNUAL.

At the annual meeting of the shareholders of the Standard Bank of Canada the officers and directors were re-elected for the ensuing year. The Board is as follows:—W. F. Cowan, President, Oshawa; Wellington Francis, K.C., Vice-President, Toronto; W. F. Allen, Bowmanville; F. W. Cowan, Oshawa; H. Langlois, Toronto; T. H. McMillan, Oshawa; Geo. P. Schofield, Toronto, and Thos. H. Wood, Toronto.

Fire prevention is far better than fire extinguishment, although not so spectacular. In the long run a good building department will save more lives and property than a good fire department.

THE COST OF LIVING AND INSURANCE.

Every day we see items in the daily newspapers dilating on the increasing cost of practically all commodities, and almost daily we read of wages being increased, or of demands being made and strikes threatened, if they are not increased, usually to a maximum of about 25 per cent. In a recent issue of "Field Notes," the official paper of the Northwestern Mutual Life of Milwaukee, Wis., there is presented a graphic illustration of commodity prices for a twenty-five year period, \$11.50 now is worth about as much as \$9.75 was worth in 1915, or as \$8.75 was worth two years ago. \$11.50 now is worth not a cent more than was \$5.75 back in 1896 or just twenty years ago. It stands to reason, therefore, that a man who sought to protect his family twenty years ago by \$20,000 life insurance, now needs in excess of \$40,000 or twice what was then sufficient. The man who sought to protect his family with \$20,000 life insurance two years ago, now requires an additional \$10,000 to keep his insurance protection on the basis he originally intended. The same percentage maintains all along the line, whether your patron is the holder of a \$1,000 policy or of one for \$100,000. As "Field Notes" remarks, "There is no excuse for failure to write a large volume of business during the remainder of the year, for the people have the money to pay for insurance and the rising prices offer the best possible reason for men who are now insured to increase their lines." And it might be remarked, in passing, life insurance costs, not more, but actually less, than it ever did in the past. In this respect, it stands practically alone.

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

Home Bank of Canada



Head Office
TORONTO

BRANCHES AND CONNECTIONS THROUGHOUT CANADA.
 MONTREAL OFFICES:
 Transportation Building, St. James Street.
 Hochelaga Branch, cor. Cuvillier and Ontario Streets.
 Verdun.
 Collections made to any point in Canada where there is a branch of any chartered Bank.

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.
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HON. W. C. EDWARDS. H. C. COX, Esq. H. J. FULLER, Esq.
E. R. WOOD, Esq. JOHN AIRD, General Manager. H. V. F. JONES, Assistant General Manager.

BRANCHES IN CANADA

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

BRANCHES AND AGENCIES ELSEWHERE THAN IN CANADA

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

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

SAVINGS DEPARTMENT

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

January Bank Statement

Gains in savings deposits and decreases in demand deposits characterized the January bank statement. While savings deposits in January showed an increase of \$19,156,000, a much larger gain than usual and \$10,000,000 in excess of the increase in December, there was a heavy drain on demand deposits amounting to \$30,829,000. The net effect was to reduce the total deposits in banks in Canada by \$11,743,000. The level at the end of the month was still \$190,000,000 in excess of the same period a year ago, of which increase almost \$150,000,000 was repre-

sented by savings and \$40,305,000 by demand deposits. The extent to which Canadian banks drew on their foreign balances in January is shown by the decrease of \$3,366,000 in deposits outside Canada and of \$18,130,000 in call loans. At the same time commercial loans outside the country gained by \$9,500,000.

The following statement shows the principal items for the month of January, the changes which occurred during that month, the changes which occurred during the year ending January, and, for the purpose of comparisons, the changes which occurred during January, 1916:

	Changes during January 1917.	Changes during year ending Jan., 1917.	Changes during January, 1916.
Reserve fund	\$ 113,337,875	-\$ 45,468	-\$ 880,542
Note circulation	133,358,187	- 15,427,100	+ 22,328,615
Demand deposits	427,398,526	- 30,829,891	+ 40,305,600
Savings deposits	864,163,344	+ 19,156,627	+ 149,898,858
Total deposits in Canada	1,291,471,870	- 11,743,261	+ 190,204,458
Deposits outside Canada	159,494,048	- 3,366,566	+ 38,959,682
Current coin	69,121,450	- 2,050,719	- 432,438
Dominion notes	143,499,253	- 18,749,012	+ 8,451,154
Deposits gold reserve	32,050,000	- 11,650,999	+ 20,190,699
Call loans in Canada	79,737,064	- 2,832,919	- 2,847,595
Call loans outside	155,747,476	- 18,130,658	+ 21,498,924
Current loans in Canada	806,479,147	- 13,899,410	+ 47,978,655
Current loans outside	85,989,511	+ 9,592,791	+ 23,999,671
Total liabilities	1,691,037,174	- 15,911,394	+ 220,249,521
Total assets	1,933,516,347	- 24,527,909	+ 222,782,194

CUSTOMS REVERE GREATLY INCREASED.

The revenues from customs duties for February, according to the Minister of Customs amounted to \$11,190,000, or \$1,062,000 more than those of the corresponding month in 1916. For the eleven months of the fiscal year which have now passed, Canada's customs revenue amounted to \$130,739,000, as compared with \$91,946,000 in the same period of the last fiscal year, or an increase of \$38,793,000.

BIG AUSTRALIAN BUSINESS.

The new business transacted by the Australian Mutual Provident Society for the year 1916 amounted to £6,640,000 in the ordinary department and over £1,000,000 in the industrial department.

Charles E. Potter, managing director of the City Dairy Co., Toronto, has resigned and is succeeded by W. J. Northgrave. It is also announced that C. B. McNaught has been made president of the company.

STATEMENT OF BANK OF FRANCE.

The weekly statement of the Bank of France shows the following changes: Gold in hand increased 6,759,000 francs, silver in hand decreased 2,295,000 francs, notes in circulation increased 208,891,000 francs; Treasury deposits increased 36,903,000 francs, general deposits increased 3,970,000 francs, bills discounted increased 44,174,000 francs, advances decreased 2,505,000 francs.

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

	1917.	1916.	1915.
Gold	5,148,279	5,014,985	4,240,375
Silver	282,068	360,760	376,775
Circulation	18,207,416	14,460,098	11,072,500
General deposits	2,302,722	2,200,389	2,363,300
Treasury deposits	151,239	3,365,317	72,300

BANK OF ENGLAND STATEMENT.

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

Total reserve	Dec.	£1,441,000
Circulation	Inc.	9,000
Bullion	Dec.	1,431,753
Other securities	Inc.	24,168,000
Other deposits	Inc.	21,164,000
Public deposits	Dec.	990,000
Notes reserve	Dec.	1,483,000
Government securities	Dec.	2,486,000

The proportion of the bank's reserve to liability this week is 15.82 per cent; last week it was 18.20 per cent. Rate of discount, 5½ per cent.

WHAT IS THRIFT?

"Thrift is the management of your affairs in such a way that the value of your possessions is constantly increasing."

That was the definition given by a Pennsylvania girl, a definition that won the prize offered by the American Society for Thrift in 1913.

Study of Industrial Fatigue

Under instructions from the British Government, A. F. Stanley Kent, professor of physiology, University of Bristol, England, directed a study of industrial fatigue in seven factories over a period of more than two years. The second so-called interim report on this study covers two factories, one employing 2000 men and engaged principally in the manufacture of surgical dressings for the army in the field; the other manufacturing war materials, from turbines for large ships to steel shields used in the trenches, employing 600 men and many women. Of these employees a representative number were subjected to the fatigue experiments.

Certain definite results were obtained which promise greater industrial efficiency when the changes suggested are put into effect. It was found that the working of overtime leads usually not to an increase but to an actual diminution of output. Overtime proves to be economically extravagant. The shortening of the working day by 16 1-2 per cent resulted in an absolute increase of over 5 per cent of the output, whereas as a further reduction from a 10 to an 8 hr. day resulted in a total increase of 12.4 per cent in the remaining hours. Where it was desirable to keep machinery running continuously it was found better to introduce a fresh shift.

Professor Kent's definition of fatigue is: "A diminished efficiency of the organism occurring after labor, partly dependent upon it. The seat of fatigue is rather on the nervous than on the muscular side but it may be taken as an indication of the diminished supply of energy and less capacity for work."

Fatigue will be affected by labor, first, according to its severity and second according to its duration. Tests were made before and after work as follows: At 5.40 a.m. night shifts were examined; at 6 a.m. occurred the first examination of the day shift; at 8.30 a.m. the office staff and any late workers; at 11.45 a.m. for recovery during dinner hour, the same workers being tested again at 1.30 p.m.; at 4.45 p.m. those who would go off duty at 5.30 p.m. together with those commencing the night shift; at 7.30 p.m., the overtime workers and at 9.35 p.m. those coming off at 10.

The experiments consisted of four tests: 1. Complex reaction time (letter and color tests). 2. The acuity of hearing. 3. The acuity of sight. 4. The systolic blood pressure.

In the complex reaction time test, the examinee was required to depress a particular key which, at the same time that its movement was recorded on the moving drum, closed the circuit and caused a shutter to fall, thus exposing one of the series of letters, or, in the case of the color test, a particular color. On recognition of the letter or color exposed, the examinee selected from six keys in front of him the one bearing a similar letter or color to that exposed and depressed it. The result was a second mark on the drum. The difference between the two marks depend upon the time required by the examinee to recognize the letter or color exposed, to select the appropriate key and to depress it. A chronograph marked in fractions of a second the time corresponding to this distance. In the letter test two separate readings were taken and the mean of the two selected.

To determine the acuity of hearing, a test was made to find the greatest distance at which the examinee could hear the tick of a watch. A meter rule was held behind the ear so that the zero was opposite the pinna, the distance being recorded when the examinee was just able to hear the sound. This required repeated tests, the watch sometimes being held behind the examiner's back as a control.

The test for acuity of sight was made by determining the greatest distance at which the examinee could identify letters of standard size stamped upon cards. The letters were arranged in different order to avoid error through familiarity with individual cards. The distances were measured by marking the floor at intervals of half inches.

In the systolic blood pressure test, Dr. H. French's sphygmomanometer was used, the apparatus being applied to the right arm which lay lightly on the table at the level of the heart. As a general rule it was found that the development of fatigue was accompanied by a rise in blood pressure.

Experiments were made by close observation and the actual reduction of time to determine the following points: The percentage of work time actually used; the effect of the reduction of hours from 12 to 10 to 8, as measured by the time used, and the actual and relative production resulting; the comparative efficiency of workers day by day; the effect of overtime on alternate and successive days; the effect of beginning the morning's work without break-

fast; the efficiency gained by establishing a factory kitchen and pleasant lunch room; the peculiar inefficiency obtaining Monday morning and the increased efficiency on Saturday, when the afternoon is made a holiday.

The report is divided into three sections, the first dealing with fatigue as a result of overtime; the second with the influence of fatigue and of overtime on output; and the third dealing with food, the adjustment of application to the length of the working day and the maintenance of equilibrium between the development and the expenditure of energy, the attainment of maximum output, and the influence of overtime on the general health of the worker.

A typical complex reaction time test begins with the usual peculiar Monday effect. The individual was less fatigued in the evening than in the morning the test showing a difference of 0.86 second in the two periods. On Tuesday overtime was worked and a difference in the opposite direction was registered indicating a response in the morning quicker by 0.42 second than in the evening. Wednesday was another overtime day and the evening value was 0.38 second longer than the morning value. No overtime was reached on Thursday and the difference between morning and evening values was only 0.01 second. The rest obtained Thursday night made Friday a more efficient day, overtime recording only 0.30 second longer than the morning. On Saturday, when work was stopped at 12 noon, the morning value was again greater than that obtained in the mid-day test.

Other tests showed that owing to the rest of 42 hours over the week end, Monday gave no indication of fatigue, although overtime was worked. A depreciation occurred Monday night and distinct evidences of fatigue were present on Tuesday and Wednesday, both overtime days, the visual acuity in the latter two cases showing a difference of 90 and 84 centimeters respectively. On Thursday no overtime was worked and the difference was reduced to 52 cm. On Friday, an overtime day, the difference rose to 112 cm., and on Saturday, a half day, although recovery was evident, it was imperfect. The effect of a half day at the end of the week, however, proved greater than the effect of a whole day in the middle of the week on Thursday.

Similar tests on members of the official staff demonstrated that extra hours impose a considerable strain on the power of those employed.

Individuals working overtime have an additional rest interval from 5.30 to 6 p.m., during which they are supplied with tea, cake, etc., free of cost. This half hour, however, is apparently of little recuperative value, since too much fatigue has accumulated to be dispelled in such a short time. The two following hours of work proved very inefficient and indicated that overtime labor is harmful to the worker and is physiologically extravagant.

Temperature, ventilation, the presence of waste substance in the air, attention required and the noise and vibration from machines are other fatigue factors.

A study of shifts showed that a greater degree of fatigue developed on the night turn.

Power of recovery is determined by an individual physical development, state of health and nutrition, freedom from staleness and fatigue. Recovery is more difficult at the end of the day and of the week. A lengthened period, caused by the abolition of rest intervals, a lengthened day, resulting from the introduction of overtime, and a lengthened week, brought about by an interference of the week-end rest, will lead to a still more rapid production of fatigue and a still less perfect recovery. The distribution of overtime days greatly affects the result.

Influence of Fatigue, and Overtime and Output.

Output varies according to 1, the condition of the worker with regard to skill, health, freedom from fatigue, proper food and fitness, and 2, the circumstances of the worker with regard to machinery, material, associated workers, weather, etc.

Output is lowest during the early morning and overtime periods. In the middle period of the day it is normally high, but is lowered by the working of overtime. This diminution is often so great that the total daily output is less when overtime is worked than when it is suspended. Thus, overtime defeats its own object.

On Monday the suspension of the early morning hours will as a rule lower output in the succeeding period. Tuesday will show the same result. On the remaining days a suspension of these hours is followed by an improvement in the output of the morning period. The change is due to restored coordination early in the week and of rest later on.

Psychical influences affect output. The output on

Saturdays, in spite of great fatigue, is often high owing to anticipation of the week-end rest. Experiment showed that a worker employed for 8 hours per day produced a greater output than when working 12 hours, the extra rest being more than sufficient to compensate for the loss of time.

One group of eight workers increased their average rate of output from 262 pieces to 276 pieces as a result of shortening the day from 12 to 10 hours, and to 316 on a further shortening to 8 hours. The earnings of a group of piece workers increased considerably as the result of the shortening of the day. This result was due to the elimination of the time lost by factory workers; in the case of the 12-hour day the loss approached an average of 10 per cent.

Value of Food.

Many operators are badly fed. Some 36.8 per cent of the workers had dyspepsia in varying degrees. In several cases workers producing far below the average were found to be doing without breakfast. When the number of hours was reduced and time was allowed for a properly cooked breakfast before leaving home, fatigue greatly diminished and the output increased 12.4 per cent. Women and children in particular are underfed because their dietary consists of too many delicacies and, therefore, of less substantial food.

Equilibrium and Balancing.

The condition of an individual at the end of a period of labor will depend upon:

- 1—The original store of energy:
 - a—His physical development, health and fitness.
 - b—The character and duration of the previous labor.
 - c—The length of the previous rest.
 - d—The manner in which that rest has been employed.
- 2—The rate at which energy has been dissipated will depend upon:
 - a—His physical development, health and fitness.
 - b—The condition under which labour has been performed.
 - c—The efficiency of the worker.
 - d—The constancy with which the worker has applied himself to his task.
- 3—The rate at which energy has been regenerated will depend upon:
 - a—The physique and the fitness of the worker.
 - b—The supply of food and the manner in which it has been utilized.
 - c—The number, length and character of the rest intervals.
 - d—The constancy with which the worker has applied himself to his task.
 - e—The length of the period of labor.

Workers were kept under observation throughout the day to determine how greatly application will vary and how much time may be lost when the application is imperfect. Workers lost on an average from 14½ to 26½ per cent of the total time in the early morning and afternoon respectively.

Maximum Output.

The total output of a factory depends upon: 1. Work time (the official hours of the mill). 2. Nominal time (the average time during which the worker attends). 3. Actual time (the average time actually worked). 4. Actual rate (the average rate at which work is performed).

It follows that the attainment of maximum output is a matter of the accurate adjustment of the factors concerned based upon exhaustive investigations and patient experiments.

When time lost was attributed to general health, the suspension of overtime resulted in a saving of 4½ per cent of the time. The subsequent suspension of the early morning hours was followed by a further diminution of the time lost during the day. The following tables show the amount of time lost in specific cases in 10 and 8-hr. days and in various periods during the day.

Total time worked out of a possible 10 hr. by two average individuals:

- 1—8 hr., 40 min.
- 2—7 hr., 26 min.

Total time worked out of a possible 8 hr.

- 1—7 hr., 23 min.
- 2—7 hr., 24 min.

The percentage of time lost during different periods of the day:

- Early morning (6 a.m. to 8 a.m.): 1—13.3 per cent; 2—33.3 per cent.
- Morning (8.30 a. m. to 12.30 p. m.): 1—6.1 per cent; 2—8.75 per cent.
- Afternoon (1.30 to 5.30 p. m.): 1—22.3 per cent; 2—38.7 per cent.

In the afternoon period there is a marked difference between the time lost by those who commenced in the early morning and by those beginning at 8:30 a.m., the former showing losses of 22.2 per cent and 38.7 per cent, the latter 11.7 and 6.6 per cent. A long day has resulted in a larger amount of time being lost—The Iron Age.

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BANK OF HAMILTON

Head Office: HAMILTON

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

THE BRITISH IMPORT EMBARGO.

The British "Official Gazette" gives a list of articles the importation of which is prohibited. The decree takes effect to-day. The prohibited list includes:

Agricultural Machinery.
Boots and Shoes of leather.
Raw Fruits, except Lemons and Oranges.
Hides.
Leather Gloves.
Glass manufactures.
Linen and Yarns and manufactures thereof.
Canned Lobsters and Salmon.
Manufactured Silk and Skins.
Furs.
Food articles containing Sugar, except Condensed Milk.
Tomatoes.
Typewriters.
Wine of all kinds.
Wood and Timber.
Aerated, Mineral and Table Waters.
Antimonyware.
Apparel not waterproofed.
Works of Art.
Baskets and Bamboo Basketware.
Books, other printed matter, including Posters and Daily, Weekly and other Periodicals exceeding sixteen pages in length.
Materials for the manufacture of Leather Boots and Shoes.
Brandy.
Clocks and parts thereof.
Cuisine Wares.
Raw Cocoa and preparations thereof.
Coffee.
Cotton Hosiery, Cotton Lace and articles thereof.
Curios.
Diatomine and Infusorial Earth.
Embroidery, Needle Work and Fancy Goods known as Paris Goods.
Fire Extinguishers.
Ornamental Feathers and Down.
Flowers, artificial and fresh.
Hats and Bonnets.
Incandescent Gas Mantles.
Raw Jute Mats and Matting.
Mops.
Painters' Colors and Pigments.
Perfumery.
Photographic Apparatus.
Pictures, Prints, Engravings, Photographs and Maps.
Plated and Gift Wares.
Live Quails.
Quebracho, Hemlock, Oak and Mangrove Extracts.
Rum.
Soya Beans.
Stereoscopes.
Straw Envelopes for Bottles and Straw plaiting.
Tea.

Both wet and dry hides and dressed and undressed leather are included. Silk yarns are exempted.

The prohibitions do not apply to goods imported under licenses given by the Board of Trade.

It was announced that, in deciding what commodities should be excluded from the United Kingdom in order to economize in tonnage, the Government had to take into account the interests of its Allies. The threatened restrictions aroused immediate protests from France as the imports from that country of mineral waters, wines, brandy, silks, needle work and of all kinds of garments and luxuries, such

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Incorporated 1855.

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

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Edward C. Pratt, - General Manager

ESTABLISHED 1875

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Reserve Fund 7,000,000

Peleg Howland - - President
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Dealers in Government and
Municipal Securities.

Dealers in Domestic and Foreign
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THE Royal Bank of Canada

Incorporated 1869

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

HEAD OFFICE: MONTREAL

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F. L. FEASE, Vice-President and Managing Director
C. E. NEILL, General Manager

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

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as bonnets, feathers and flowers, represent a considerable income to the French producers.

The power given to the Board of Trade to issue special licenses, however, may be freely exercised in behalf of the Allies of Great Britain, as ships taking munitions and other supplies to France and Italy have ample tonnage to bring return cargoes. There are now heavy stocks of French wines in England.

American firms dealing in typewriters and photographic apparatus almost monopolize the English market but have factories here. The importation of American boots and shoes, once heavy, has decreased greatly in the last decade. The country has large supplies of coffee, tea and cocoa.



EST'D 1873

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Quantity and Value in Foreign Trade

(The New York Journal of Commerce).

The extraordinary sum of \$7,873,000,000 recorded as the total of the imports and exports of the United States for the calendar year 1916 exceeds by \$3,560,000,000, or 83 per cent, the total of the last normal year, 1913. It would be interesting to ascertain how much this enormous expansion is due to enhanced price and how much to increase in volume. An analysis of the British Board of Trade returns made by the "Economist" reveals these rather startling facts; the total value of the British imports and exports is not far behind our own calculated at the ordinary rate of exchange, though on the lower average it barely exceeds \$7,500,000,000. This is \$800,000,000 more than the value of the trade of 1913. But, if the trade of 1916 be tested by the prices of 1913, its value shrinks to \$5,500,000,000, or \$1,500,000,000 less than the trade of the last normal year. In other words, there is indicated a decline of over 21 per cent in volume, accompanied by an increase of about 12 per cent in the recorded value. If a similar reduction, on the basis of the prices of four years ago, be made on the figures of our own foreign commerce, the total would still be \$1,500,000,000 in excess of that for 1913, but the increase in volume would be 35 instead of the apparent 83 per cent.

Coming down to details, the "Economist" shows that grain and flour, which had an import value in 1916 of \$665,000,000, would have been worth only \$375,000,000 if recalculated at the prices of 1913. Thus on the basis of the last normal year there had been a decrease in volume equivalent to \$50,000,000, though the advance in price figured at \$290,000,000. Meat, including animals for food, whose value was \$470,000,000, would have accounted for only \$320,000,000 at the prices of 1913; cotton, which stood for \$420,000,000, was, at the prices of 1913, worth only \$370,000,000, and wool, valued at \$195,000,000, would have been worth only \$135,000,000 in 1913. In paper-making material, the differences indicated were between \$40,000,000 and \$18,000,000, and in wood and timber between \$200,000,000 and \$105,000,000. Copper ingots and sheets had a value in 1916 of \$80,000,000 which, at the 1913 average of price, would have figured at \$48,000,000. So with exports: The coal that in 1916 brought \$253,000,000 would in 1913 have sold for \$145,000,000, and the iron and steel products which in the returns of last year represent a value of \$280,000,000 are just \$100,000,000 higher than the same volume of similar products would have been in 1913. Cotton piece goods accurately reflected the changed value of the raw material, the figures being \$440,000,000, against \$365,000,000.

The selected items of British imports cannot be closely compared with our own exports of the same goods, but, on the fact of the returns, there may be gleaned these results: The exports of breadstuffs which for 1916 were valued at \$472,000,000, would, on the basis of the prices of 1913, be worth only \$307,000,000; meat products, whose value was \$279,000,000, would lose at least \$56,000,000 if recalculated at the prices of 1913; cotton, by the same process of conversion, would come down from \$543,000,000 to \$467,000,000, and copper from \$205,000,000 to \$121,000,000. The shrinkage is less than that recorded on the British imports of the same products, but that is due to the British valuation being made plus freight and insurance, thus reflecting the advance in these two items of cost as well as the higher market price at the port of shipment. In our exports of manufactured products, cotton piece goods show a gain of 80 per cent in value and only 33 per cent in volume. The exports of iron and steel and their manufactures reach the unexampled total of \$867,000,000, against \$294,000,000 in 1913—an increase of 195 per cent. It is difficult to apply here any uniform standard of comparison between volume and value, but if the item of steel bars and rods be taken as a criterion, the increase in value must be held to be fully double the increase in volume. In other words, \$450,000,000 would apparently represent the value of last year's exports of iron and steel and their manufactures, on the basis of the prices of 1913.

The British returns show that while the majority of food imports increased in volume as well as in value, the imports of raw materials and manufactures were mostly reduced in quantity. In the entire group of articles coming under the head of food, drink and tobacco there was on the whole an increase in quantity of 47.9 per cent, and an increase due to enhanced price of 132.6 per cent. Under raw materials and articles mainly unmanufactured, there was a decrease in volume as compared with 1913 of 32.1 per cent accompanied by an increase due to variation in price of 87.3 per cent. With the exception of to-

bacco, tin, woolen and worsted tissues and paper, the volume of British exports showed for 1916 a decline compared with the returns of 1913. In three of the principal articles of export, coal, machinery and cotton goods, the shrinkage is considerable. In our own case an average deduction of 35 per cent would probably cover the all round advance over the prices of 1913, but even with that deduction we should still have an export trade for 1916 of \$5,118,000,000, on the basis of the values of 1913, or more than double the actual volume of export business done in that year.

THE BLOCK AT WASHINGTON.

Twelve Senators block Bill to arm the United States. Twelve senators, led by Senator La Follette defied the will of an overwhelming majority in Congress up to the last minute Sunday (March 4) and denied to the President a law authorizing him to arm American merchant ships to meet the German submarine menace.

Unyielding throughout twenty-six hours of continuous session, La Follette and his small group of supporters refused a majority of their colleagues an opportunity to vote on the armed neutrality bill, and it died with the sixty-fourth Congress at noon.

To fix responsibility before the country, seventy-six senators, thirty Republicans and forty-six Democrats, signed a manifesto proclaiming to the world that they favored passage of the measure.

This declaration, embodied in the record of the Senate, referred to the fact that the House Thursday night had passed a similar bill by a vote of 403 to 13, and also recited that the Senate rule permitting unlimited debate gave a small minority opportunity to throttle the will of the majority.

The twelve senators who went on record with the thirteen members of the House against granting to President Wilson the authority he asked from Congress were: Republicans—Clapp, Minnesota; Cummins, Iowa; Gronna, North Dakota; Kenyon, Iowa; La Follette, Wisconsin; Norris, Nebraska; Works, California.

Democrats — Kirby, Arkansas; Lane, Oregon; O'Gorman, New York; Stone, Missouri; Vardaman, Mississippi.

VOLCANIC HEAT HARNESSSED.

The idea of utilizing volcanic heat to drive an electric power house of 15,000 horse-power might seem as being out of the realms of possibility, but Prof. Luiggi in an interesting article published in Engineering, for November 17, 1916, shows that this has been realized in Italy. In Central Tuscany, near Volterra, there are numerous cracks in the ground from which powerful jets of very hot steam spout high in the air with great violence and constancy, bringing up boric acid and other mineral substances. These substances were found to have a corrosive effect on the engines in earlier experiments and the difficulty has been overcome by applying the steam, not directly in the engine, but to a boiler instead of fuel. Steam is produced in the boiler and then passed to a superheater after which it is utilized in the steam turbine for driving electric generators.

The undertaking has been financed by Prince Ginori-Conti and three large installations on this system have been made, one of 3,000 Kw. Units, was started in January, 1916, the second on April, and they seem to be giving satisfactory results. The third system has been started quite recently. These installations are said to be a great boon to the industries of Tuscany, where coal is scarce and very expensive and, since the region available is a large one, it seems likely that the system may be developed in such a way as to produce hundreds of thousands of horse-power.—Sound Industrial and Engineering Chemistry.

PERSONALS.

Mr. W. P. Hughes has been appointed secretary of the Montreal branch of the Canadian Manufacturers' Association to succeed Mr. Roy Campbell who has accepted an appointment with the Riordon Pulp and Paper Company.

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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
Deposits with Dominion Government ...	1,225,467
(As at 31st December, 1915.)	

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to get on in the world to look into
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BRITISH AMERICA ASSURANCE CO.

The annual statement of the British America As-
surance Company shows a deficit on the year's opera-
tions. Fire and hail premiums amounted to \$2,074,293
as compared with \$1,988,380 the previous year, an
increase of \$85,915. Marine premium was \$431,759,
against \$211,704, an increase of \$220,055. Interest and
rents amounted to \$73,049 against \$70,572, an in-
crease of \$2,477, while in 1916 there was a net increase
in the values of securities held of \$15,790, against a
decrease in value of \$18,982 the previous year.

Net earnings amounted to only \$20,551, as compared
with \$270,412, a decrease of \$249,861 for the year.
Dividends of only \$19,250 were paid as compared with
\$57,750, a decrease of \$38,500. Accounts written off,
etc., amounted to \$1,969, as compared with \$1,821,
an increase of \$148.

WESTERN ASSURANCE COMPANY.

Net profits of \$573,000 are reported by the Western
Assurance Company for the year ended December
31st, which is a new high record. From this amount
dividends amounting to \$105,000 were paid on the
preferred stock, while \$15,417 was written off and
set aside for decrease in market value of securities.
In addition \$30,000 was provided for taxes and debts
during the war, leaving a balance of \$422,994 added to
profit and loss, bringing the total surplus to \$1,431,-
963 at the end of the year.

The vacancies on the Board created by the deaths
of A. Myers and J. K. Osborne were filled by the
election of E. Hay, of Toronto, general manager of
the Imperial Bank of Canada, and E. A. Robert, of
Montreal.

WARNING TO AUTOMOBILISTS.

The Travelers Insurance Company has issued
broadcast a printed "Warning to Automobilists,"
which says in brief:

Don't run your engine in the garage with the door
and windows closed.

It is death to do this.

Exhaust gases from gasoline engines contain car-
bon-monoxide in dangerous quantity.

One-fifth of 1 per cent carbon-monoxide in the air
will produce fatal results.

Not one person in 100 knows the danger.

Spread this warning for the saving of human life.

A CORRECTION.

In a recent issue of The Journal of Commerce
giving a list of insurance companies subscribing a
million dollars or over to the British Loan the name
of the Law, Union & Rock Insurance Company was
omitted. This was an oversight. The Law, Union
& Rock Insurance Company subscribed for \$10,000,-
000 of the new loan thereby ranking among the larg-
est of the subscribers.

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PROGRESSIVE**

Up-to-date business methods,
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of fair-dealing with its policy-
holders, have achieved for the
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More than 166,000 of its
policies are now in force for
assurances totalling over \$265,
000,000—much the largest
amount carried by any Cana-
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**"A Little Nonsense Now
and Then"**

Ed. (in motor car)—This controls the brake. It is
put on very quickly in case of an emergency.

Co-Ed.—Oh, I see; something like a kimona. —
Orange Post.

"What about that play your club was to put on
this month?" "It's Lent." "Who borrowed it?"—
Buffalo Commercial.

"Do you see anything you like on the bill of fare?"
"How can I judge by reading a printed card?"
Just tell the waiter to bring it all. Then if I see
anything I don't like, I can send it back."—Louis-
ville Courier-Journal.

Willis—"Bump has a very up-to-date office."
Gillis—"Yes. He has one of these office systems
where you can find just what you want when you
don't want it by looking where it wouldn't be if you
did want it."—Life.

Musical Instrument Dealer (to new boy)—Now, if
while I am out a customer wants to look at a man-
dolin, flute or piccolo you know what to show him?
Boy—Yes, sir.

Dealer—And suppose he should want to see a
lyre?

Boy—I'd ask him to wait until you come in, sir.
—Boston Transcript.

Teacher: I'm surprised at you, Sammy Wicks, that
you cannot tell me when Christopher Columbus dis-
covered America! What does the chapter heading
of the week's lesson read?

Sammy—Columbus—1492.

Teacher: Well, isn't that plain enough? Did you
never see it before?

Sammy: Yès'm, yes'm; but I always thought it
was his telephone number.—Harper's Magazine.

"Conscription has, maybe, saved the country,"
growled the strapping young soldier, "but what I
object to is the company it drives a man into. I am
a practical plumber by trade, an honest workman,
yet I'm to suffer the society o' sich professionals as
a lawyer, a minister, and an auctioneer."

"No' a bad selection, Jock," remarked his friend.

"Oh, maybe no' in a way; but when the minister
and the lawyer start an argument on Egyptian law
in the middle o' the night across half a dozen beds,
with the blessed auctioneer as umpire, what chance
has even a practical plumber o' stoppin' the gas
leak?"—Exchange.

Smith got married. The evening of his first pay-
day he gave his bride \$14 of the \$15 salary and
kept only a dollar for himself.

But the second pay-day Smith gave his wife one
dollar and kept \$14 himself.

"Why, John," she cried, in injured tones, "how
on earth do you think I can manage for a whole
week on a paltry dollar?"

"Darned if I know," he answered. "I had a rotten
time myself last week. It's your turn now."—Topeka
State Journal.

He was running a small provision store in a
newly-developed district, and the big wholesale deal-
ers found him very backward in payment of his ac-
counts.

They sent him letter after letter, each more polite-
ly threatening than the last. Finally, they sent their
representative down to give him a last chance.

"Now," said the caller, "we must have a settlement!
Why haven't you sent us anything? Are things go-
ing badly?"

"No. Everything going splendidly. You needn't
worry. My bankers will guarantee me all right."

"Then, why haven't you paid up?"

"Well, you see, those threatening letters of yours
were so well done that I've been copying them out
and sending them round to a few customers of my
own who won't pay up, and I've collected nearly all
outstanding accounts. I was only holding back be-
cause I felt sure there must be a final letter, and I
wanted to get the series complete."

BLACK DIAMOND

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PROVINCE OF QUEBEC, DISTRICT OF MONTREAL, No. 1242, Dame Donaldia Gagnon of Montreal, wife common as to property of Joseph W. Larose, Plasterer, of City & District of Montreal, duly authorized to present, Plaintiff, vs. The said Joseph W. Larose, Defendant. An action in separation as to property, has been taken in this case on February 22nd, 1917.

Montreal, February 24th, 1917.

BRODEUR & BERARD,
Attorneys for Plaintiff.

PROVINCE OF QUEBEC, DISTRICT OF MONTREAL, SUPERIOR COURT, No. 268. Notice is hereby given that Dame Mary A. Anber, of the city and district of Montreal, wife common as to property of Georges Thomas, clerk, of the same place, duly authorized a *ester en justice*, has, this day, sued the said Georges Thomas, for separation as to property.

BISAILLON, BISAILLON & BEIQUE.

Montreal, February 26th, 1917.
Attorneys for Plaintiff.

DIVIDEND NOTICE.

THE BANK OF NOVA SCOTIA

DIVIDEND NO. 189.

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 March 31st and that the same will be payable on and after Monday, the 2nd day of April next, at any of the offices of the Bank.

The Stock Transfer Book will be closed from the 17th to the 31st proximo, inclusive.

By order of the Board,

H. A. RICHARDSON,
General Manager.

Halifax, N. S., February 16th, 1917.

THE MONTREAL CITY and 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 2nd of April next, to Shareholders of record on the 15th day of March next, at 3 o'clock p. m.

By order of the Board,

A. P. LESPERANCE,
Manager.

Montreal, February 24th, 1917.

News of the Week

Tuesday February 27th.

The British have pushed forward their lines to a depth of two miles over the eleven mile front which extends from Le Transloy. The manoeuvre has served to throw forward the right and left wings of the British in an enveloping move toward Bapaume, the German stronghold in this region and to place the British centre at Warlencourt-Eaucourt a scant three miles from Bapaume.

Bombardments and raiding operations are still in progress on the greater part of the remainder of the front in France and Belgium and in the Russian and Austro-Italian theatres.

In Mesopotamia the British have captured from the Turks the entire line from Sannayyat to Kut-el-Amara.

Five more ships sunk including two Neutrals, a French and two British.

Americans taken to Germany on Yarrowdale are freed.

Twenty-six Americans aboard Laconia.

Lord "Bob" Fisher was called a traitor by Admiral Meux in the British Commons.

German naval vessels shelled defenceless English coast towns, killing one woman and a child.

Ex-Premier George J. Clarke of New Brunswick died after a long illness, at the age of sixty.

Hon. Martin Burrell, Federal Minister of Agriculture, did not give encouragement to a deputation that asked for the removal of the prohibition of oleomargarine.

The Frederik VIII., with Count von Bernstorff and the German Consular officials from the United States on board, left Halifax for Copenhagen.

U. S. admits rights violated in Laconia case.

Wednesday, February 28th.

The British troops still advancing and Germans retiring. Enemy suffered big casualties. British take many thousand prisoners at Kut-el-Amara.

Four more ships including one British sunk.

Germany claims the sinking of a British transport designated as A19.

"MONTREAL METROPOLE, LIMITEE."

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 seventh day February, 1917, incorporating Messrs. Hormisdas St-Amant, accountant, Louis A. Guimond, notary, Francis Mackay, notary, Maurice Mackay, student-at-law, of Montreal, for the following purposes:

To acquire, own, operate, sell, exchange, alienate, hypothecate, hire and lease all kinds of moveable and immovable property, lands, mines, quarries, water powers, factories and industries whatsoever, patents, trade marks, newspapers and publications, copyrights, claims and moveable property of every kind including the right to deal in all materials, merchandise, moveable and immovable property, hypothecate; sell, exchange or otherwise alienate, construct on and exploit same, and do everything in connection therewith;

To acquire in whole or in part the property and business of any persons or company altogether or partly similar to those of the present company or to amalgamate therewith or sell its property and business to any such companies or persons, including the shares, and bonds of any such companies, and to pay for such acquisition in shares, bonds, debentures or other securities of such companies, to subscribe for or otherwise acquire and hold shares in any other financial companies; to sell or deal with its own property for such considerations as the company may deem proper and in particular for shares, debentures or other securities of any other companies; to sign, accept, endorse any promissory notes, bills of exchange, warrants and other negotiable instruments, to make advances of money or loans to customers and other persons having dealings with the company and to guarantee the execution of all contracts;

To act as agents and brokers in any business of a like nature to the above, either as principal or agent;

To remunerate in cash or by shares or bonds or in any other manner all persons or corporations for services rendered, to issue and allot paid up shares, bonds, or obligations of the company in payment of any business property, rights, privileges, shares or other securities or rights which the company may legally acquire by virtue of its powers; to accept moveable or immovable securities in payment of shares of this company; and generally to carry on any transactions or things incidental or accessory to the above mentioned objects, under the name of "Montreal Metropole, Limitee", with a capital stock of twenty thousand dollars (\$20,000.00), divided into two thousand (2,000) shares of one dollar (\$1.00) each.

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

Dated from the office of the Provincial Secretary, this seventh day of February, 1917.

C. J. SIMARD,
Assistant Provincial Secretary.

The Standard Oil Company will seek indemnity for its losses in Roumania.

Italian troops carried out successful operations against the Austrians on the slopes of San Marco.

Owing to some change in the water at Kingsville hatchery, 170,000,000 whitefish eggs had to be thrown out.

The order in Council passed at the request of the Imperial authorities prohibiting women and children from crossing the Atlantic is absolute.

The third Canadian domestic war loan is to be launched on Monday, March 12th, and will be between one hundred and one hundred and fifty millions.

Saskatchewan Legislature decided to exempt from all taxation of their land up to half a section all Saskatchewan volunteers or reservists in British or allied forces.

The Minister of Militia, Sir Edward Kemp, announced that the medical care of returned invalided soldiers would hereafter be transferred from the Military Hospitals Commission to the Canadian Army Medical Service.

Ontario women will vote at next election.

Women solicitors are favored by House of Lords.

Thursday, March 1st.

British occupy three villages north of Ancre.

British rapidly advancing in Tigris district.

British transport lost on English coast, no loss of life.

21 British vessels lost in week ending February 25.

German plot of alliance with Mexico and Japan exposed.

Friday, March 2nd.

Germans continue to retreat on both banks of the Ancre.

Turks retreating to Bagdad a disorderly mob.

British have taken 5,000 Turkish prisoners—20,000 Turk casualties.

British have 2,133 prisoners during February.

Germans have been making air raids on Salonika.

Chinese breaking off relations with Germany.

Congress gives President Wilson authority to arm vessels.

Six vessels victims of subs.

465,770 tons of merchant shipping sunk during February.

Carranza flogged German Consul because of aid he is alleged to have given Villa bandits.

Profits from the Government liquor dispensaries in Saskatchewan in eighteen months amounted to \$1,527,000.

A plan to establish a steel shipbuilding plant on the Miramichi River, Northern New Brunswick, is reported to be under way.

A smelter in British Columbia with Government assistance is foreshadowed in the Speech from the Throne in the B. C. Legislature.

Col. F. W. Marlow testified before the Parliamentary committee as to the need of reorganization of the medical care of returned invalided soldiers and the enormous wastage caused by attestation of the physically unfit.

The Boselli Government was sustained by the Italian Chamber of Deputies.

Compulsory mobilizations of the German "home army" was said to be imminent.

Saturday, March 3rd.

Germans continue to retreat before British attack.

Britain asked to free 185,000 slaves in German East Africa.

Eighty-nine Hun airmen beaten by Allies in February.

Women to be letter carriers, in Paris.

Conference to settle present trouble in Cuba.

Monday, March 5th.

British gain another mile beyond Ancre.

Russians drive through Persia to Mesopotamia.

Twelve senators block bill to arm United States.

Result of conference, in Athens, is unsatisfactory.

A British destroyer reported sunk, in North Sea, last Thursday.

Crisis in China over cabinets decision to break with Germany. Parliament unanimous; President refuses.

GOES TO WINNIPEG.

George C. Wainwright, who was manager of the Bank of Ottawa in Montreal from 1914 to 1916, has been appointed manager of the branch in Winnipeg, vice J. B. Monk, who has retired after thirty-five years service. Mr. Wainwright has been in the service of the bank since 1889.

Lantern slides, illustrating the work of the Military Hospitals, with explanatory notes, may be borrowed free of charge by applying to the Military Hospitals Commission, 22 Victoria Street, Ottawa.

PLAIN LIVING.

Recently twelve "rookies" of the New York police department put themselves on a diet to cost not more than 25 cents a day to ascertain whether it was possible to live that cheaply. The demonstration has attracted wide attention.

Each day when the menus were printed the number of calories in the various portions of food were appended with the result that many persons immediately consulted their dictionaries. What sort of a new vegetable was this calory? Carbohydrates, proteins and fats appeared frequently in the newspaper account. The public became acquainted with the terms "vitamines" and "lipoids." Public officials, opera singers and newspaper men partook of the fare which was wholesome and palatable.

The effect has been the awakening of a tremendous interest in the subject of eating. Many families now realize that they have been eating too much. "Dieting" is becoming something of a fad. The President of the United States stated his willingness to try the twenty-five cent fare for one day. The following set of menus was sent to the White House and given to Mrs. Wilson:

Breakfast.

Oatmeal and milk.
Toast and butter.
Coffee, with milk.
(Cost, 7 cents).

Luncheon.

Salmon croquettes, with peas, and one date.
Bread and butter.
Tea, with milk.
(Cost 9 cents).

Dinner.

Baked split peas.
Stuffed green peppers.
Whole wheat bread, butter.
Sliced oranges and bananas.
Tea, with milk.
(Cost, 10 cents).

Not so bad? But the average housewife would have some difficulty in preparing a meal consisting of salmon croquettes and peas for 8 cents.

The test came to an end last week. The men were in better condition at its close than at the beginning. When they began the test the twelve men weighed 2,930 pounds. A few days before the end their total weight was 2,049½ pounds. They gained 19½ pounds.

The Life Extension Bureau under whose direction the test for policemen was conducted has done a great deal to promote sanity in eating. Most of us are gourmands, anyway.

The origin of the word "tip" as applied to the practice of feeding waiters is interesting. It is said that in some of the taverns of the early days there always was a box in the lobby on which was inscribed the letters, "T. I. P.", which expanded would read, "To insure promptness."

REVIVAL OF USE OF CLOGS
ADVOCATED.

Textile operatives in Lancashire and Yorkshire, and a good many textile manufacturers of the old school will learn with interest of a suggestion which has been made in London for solving the boot-supply problem. It is that there should be a more extensive use of clogs. Leather is exceptionally dear in these days and a noted clog maker in a big way of business has told a representative of the London Evening News how clogs are coming more and more into vogue.

Hundreds of London school children are now wearing clogs, which cost about 3 shillings a pair (73 cents) and London County Council school-teachers have been providing clogs for ill-shod pupils, who have been paying for them by weekly installments of 3 pence.

The price of leather, states a writer in the paper mentioned, suggests that the city man of the future will chatter to business in his clogs. "For country wear one can buy an elegant pair of lace-up clogs at a quarter of the price of equally efficient boots." Apart from the attention that they would attract, there is no reason why these should not be worn in "town." There is nothing undignified in the clog worn by the Lancashire or Yorkshire textile worker. Not a few of the captains of the textile industry have themselves worn clogs, and some at least would not be ashamed to wear them again.

The present home demand is so great that an order for 10,000 pairs of sabots for the Belgian Government has just had to be declined by a British clog-making firm, which received an award for its clog show at the London Exhibition in 1862. — Textile Mercury, Manchester, England.

THE
Standard Bank of CanadaReport of the Proceedings of the Annual Meeting of
Shareholders

Wednesday, 28th February, 1917

The 42nd Annual Meeting of the shareholders of the Standard Bank of Canada, was held at the Head Office of the Bank, 15 King Street West, Toronto, on Wednesday, the 28th February, 1917, at 12 o'clock noon.

A large number of shareholders were present.

On motion, the President, Mr. W. F. Cowan, took the chair, and Mr. E. A. Bog, Chief Inspector, who acted as Secretary of the meeting, read the report:

Your Directors, in presenting to the Shareholders the Forty-second Annual Report of the affairs of the Bank for the year ending 31st January, 1917, have pleasure in stating that the funds have been well employed during the past twelve months and a satisfactory increase is shown in all departments.

The Net Profits, after making provision for bad and doubtful debts, rebate of interest on unmatured bills under discount, exchange, cost of management, etc., amount to \$580,230.10, being at the rate of 18.90% on the average paid-up capital of the Bank for the year. This amount together with the balance forward from last year and the sum of \$333,242.14 for premium on new stock issued during the year, makes the sum of \$975,119.13.

This has been appropriated as follows:—

Four quarterly dividends at the rate of 13% per annum.....	\$398,899.61
Contributed to Officers' Pension Fund.....	20,000.00
Contributed to Patriotic and kindred objects.....	38,900.00
War Tax on Bank Note Circulation to 31st December, 1916.....	30,483.75
Transferred to Reserve Fund from Premium on New Stock.....	333,242.14
Balance of Profit and Loss Account carried forward.....	153,593.13
	\$975,119.13

During the year Branches of the Bank have been opened at Burdett, Coalhurst, New Dayton, and Travers, Alberta; Richlea, Sask.; and Schumacher, Ont. The Branch at Goodwater, Sask., was closed.

The usual inspection of the Head Office and Branches has been made and the staff have faithfully and efficiently discharged their duties.

W. F. COWAN,
President.

General Statement

LIABILITIES.

Notes of the Bank in circulation.....	\$ 4,546,513.00
Deposits bearing interest (including interest accrued to date).....	\$34,818,843.15
Deposits not bearing interest.....	11,473,721.42
	46,292,564.57
Dividend No. 105, payable 1st February, 1917.....	105,399.61
Balances due to other Banks in Canada.....	639,598.51
Balances due to Banks and Banking Correspondents elsewhere than in Canada.....	386,475.55
Acceptances under Letters of Credit.....	58,645.84
Capital paid up.....	3,333,242.14
Reserve Fund.....	4,333,242.14
Balance of Profit and Loss Account carried forward.....	153,593.63
	\$59,850,274.99

ASSETS.

Current coin held by the Bank.....	\$1,532,743.47
Dominion Notes held.....	7,729,781.00
Deposit in the Central Gold Reserves.....	1,500,000.00
	\$10,762,524.47
Deposit with the Minister for the purposes of the Circulation Fund.....	\$ 150,000.00
Notes of other Banks.....	210,240.00
Cheques on other Banks.....	1,769,623.07
Balances due by Banks and Banking Correspondents elsewhere than in Canada.....	594,376.27
Dominion and Provincial Government Securities not exceeding market value.....	1,574,349.49
Canadian Municipal Securities and British, foreign and colonial public securities other than Canadian.....	5,371,937.46
Railway and other bonds, debentures and stocks not exceeding market value.....	298,656.63
Call and Short (not exceeding thirty days) Loans in Canada on bonds, debentures and stocks.....	1,656,956.71
	11,626,139.63
	22,388,664.10
Other current Loans and discounts in Canada (less rebate of interest).....	35,892,084.87
Liabilities of customers under Letters of Credit as per contra.....	58,645.84
Real Estate other than Bank Premises.....	19,507.15
Overdue debts, estimated loss provided for.....	172,799.89
Bank Premises, at not more than cost, less amounts written off.....	1,229,935.38
Other Assets not included in the foregoing.....	88,637.76
	\$59,850,274.99

W. F. COWAN,
President.

GEORGE P. SCHOLFIELD,
General Manager.

AUDITOR'S REPORT TO THE SHAREHOLDERS.

I have compared the above Balance Sheet with the books and accounts at the chief office of The Standard Bank of Canada, and with the certified returns received from its branches, and after checking the cash and verifying the securities at the chief office and certain of the principal branches on January 31st, 1917, I certify that in my opinion such Balance Sheet exhibits a true and correct view of the state of the Bank's affairs according to the best of my information, the explanations given to me, and as shown by the books of the Bank.

In addition to the examination mentioned, the cash and securities at the chief office and certain of the principal branches were checked and verified by me at another time during the year, and found to be in accord with the books of the Bank.

All information and explanations required have been given to me, and all transactions of the Bank which have come under my notice have, in my opinion, been within the powers of the Bank.

G. T. CLARKSON, F.C.A.,
of Clarkson, Gordon & Dilworth, Toronto, Canada.

Toronto, February 13th, 1917.

The usual motions were passed, and the scrutineers appointed reported the following gentlemen elected as Directors for the ensuing year: Mr. W. F. Cowan, Mr. Wellington Francis, K.C., Mr. W. E. Allen, Mr. F. W. Cowan, Mr. H. Langlois, Mr. T. H. McMillan, Mr. G. P. Scholfield, and Mr. T. H. Wood. At a subsequent meeting of the Directors, Mr. W. F. Cowan was re-elected President, and Mr. Wellington Francis, K.C., Vice-President.

G. P. SCHOLFIELD,
General Manager.

Toronto, February 28th, 1917.

LUMBER, PULP AND PAPER

PULP AND PAPER EXPORTS.

The record of Canadian pulp and paper exports, by months, for the past two years, is as follows:

	1915		
	Chem. pulp.	Mechan. pulp.	News-print.
January	\$393,778	\$239,758	\$1,085,019
February	358,983	263,948	1,082,032
March	596,846	146,190	1,524,192
April	355,843	120,437	970,445
May	406,568	148,841	1,341,243
June	429,489	131,982	1,345,444
July	442,976	468,385	1,441,647
August	551,693	157,612	1,564,510
September	471,447	435,447	1,297,460
October	612,920	526,444	1,563,757
November	597,883	388,894	1,753,013
December	794,312	213,707	1,559,917
	1916		
	Chem. pulp.	Mechan. pulp.	News-print.
January	\$635,103	\$565,573	\$1,420,259
February	654,839	171,589	1,752,710
March	847,831	448,623	2,053,887
April	686,124	248,863	1,157,062
May	995,961	276,784	1,753,748
June	892,144	425,727	1,713,822
July	1,068,663	553,391	1,816,761
August	1,185,864	524,301	1,770,964
September	1,218,549	755,685	1,802,560
October	1,306,837	434,689	1,818,075
November	1,120,698	945,127	2,101,778
December	1,172,264	499,013	1,937,371

AMERICAN NEWSPRINT EXPORT DECLINE.

Secretary Steele of the Newsprint Manufacturers' Association says:

"Paper exports from the United States generally have fallen off greatly. South America getting the bulk of the stock cleared. Inquiries for paper are numerous, especially from southern European and Latin American countries, but the domestic demand coupled with the enormous freight and war risk rates discourage trade. Lately rumors that a great deal of building of pulp and paper mills has been going on in Scandinavia have been freely floated, but this is not the case.

"There is practically no change of note in the pulp and paper markets of the world. There has been a slight fluctuation above and below last month's levels. England has shut off the exportation of coal to Norway, which may cause a retaliation in the form of an embargo on paper and pulp and a curtailment in the production. Satisfaction has been expressed, however, in both England and Sweden in regard to the workings of the Swedish-Anglo Commission on the question of the chemical pulp embargo, and the foremost authorities expect the embargo to be lifted by spring.

"Germany has made sulphite wood pulp contraband of war, and has actually seized cargoes of it, we are advised from a reliable source."

GREAT BRITAIN'S PAPER SHIPMENTS.

During 1916 Great Britain imported material for manufacturing paper valued at \$40,660,500, compared with \$30,759,255 during 1915, an increase of \$9,911,245. Paper imports during 1916 were \$41,644,230, compared with \$33,236,340 in 1915, an increase of \$8,407,890.

Exports of paper amounted to \$25,994,710, compared with \$14,975,635 in 1914, an increase of \$11,021,075, or over 40%.

TREATED TIMBER.

In the United States, the number of wood-preserving plants has increased in ten years from 39 to over 100. In 1915, at 102 plants, nearly 142,000,000 cubic feet of timber was given preservative treatment. Of this, more than 78 per cent was cross-ties, for railway use.

The slower developments along this line in Canada are due to the fact that we still have large supplies of coniferous material suitable for ties. For instance, in 1914, more than 43 per cent of all ties purchased in Canada were jack-pine. Eastern cedar followed next, with 13.7 per cent, then tamarack with 7.8 per cent, Douglas fir with 7.5 per cent, and hemlock with 7.2 per cent. Canadian railways require about 20,000,000 ties per year.

UNION BAG AND PAPER.

The Union Bag and Paper Corporation declared a quarterly dividend of 1½%, payable March 15th to stock of record March 5th. This dividend is also payable to persons to whom stock of the corporation shall be issued of record on and after March 5th in exchange for the old preferred or common stock of the Union Bag and Paper Company payment to be made on March 15th, in respect of stock therefor issued and upon issuance in respect to stock thereafter issued. Approximately 95% of the new stock has already been issued. Initial quarterly dividend of 1½% was declared three months ago.

VALUE OF SHADE TREES.

The æsthetic value of city shade trees in cities is well appreciated, but their actual influence upon the health of the community is not so widely understood. The "Minnesotan" in an interesting editorial upon this subject says in part:

"Shade trees are more than ornamentation in a community. They are as good as life insurance policies, if the report recently published by Cornell University is correct.

"Trees add to the health of a city by cooling and purifying the air. Leaves absorb impure and hurtful gases and manufacture oxygen needed for respiration. The value of shade trees as sanitary factors in the health propaganda of a large city is well illustrated in New York, where a bill was presented to the legislature which would permit the New York City Park Commission to serve as custodians of the shade trees. The bill was drawn up by a doctor, a member of the State Board of Health, and was presented as a sanitary measure only.

"The air in the vicinity of trees contains less bacteria and dust particles than does air outside the tree zone. People who go into the country to recuperate seek the 'big timber.' They know it to be a red corpuscle generator."

MATCHES OF YESTERDAY.

Brandon, a small town in Suffolk, England, still supplies the world with flint-and-steel tinder boxes, which even the developed friction matches of today have not made obsolete, notes the Popular Science Monthly for March. Elderly persons can still tell us about the time when flint-and-steel were universally used; when old rags had to be charred for tinder, and when the sparks had to fly to get these to catch fire. Brandon flints have always been justly famous. They were used in the kitchens at home, and on cannons in the wars. They saw service at Waterloo, in the Crimean War, and even as late as in the South African campaign. The first one was made in 1827.

B. C. FOREST PRODUCTS EXPORTED.

The export of shingles from the port of Vancouver to the United States in 1916 amounted to \$4,050,078, as against \$3,790,763 in 1915. Pulp also showed a large increase, the figures being \$554,397 in 1916, as against \$203,620 in the previous year. There was a drop in shingle bolts from \$15,195 to \$7,522. Logs showed a falling off from \$895,344 to \$579,218, and lumber, which includes ceiling, flooring, siding and ties, amounted to \$1,127,888 in 1916, against \$1,711,498. Paper increased to \$1,209,466, compared with \$1,002,557 in 1915. The total value of the wood products was \$7,666,461, compared with \$7,698,707 in 1915.

SMALLER FRENCH PAPERS.

The French Cabinet has decided on the reduction in the number of pages of the daily newspapers. The change will be made to curtail the consumption of coal and the purchases abroad of print paper and the raw material required for its manufacture.

THE VALUE OF TANNIN.

In the cutting of spruce for pulpwood in Sweden at the present time the bark is carefully saved for its content of tannin. The bark, of course, can be removed only during the period of the year when it is loose upon the tree, the growing period from June to August. This stripping of the bark leaves the wood clean for the pulping process and the bark is said to be worth \$7 to \$19 a ton. This appears to be a new development that would hardly have a practical application in our own country where other woods richer in tannin content are still in good supply.

FORESTRY FACTS.

A Forestry draft of 100 men, all to be Indians, has been authorized by the Government. They will be recruited in Ontario.

The Pacific Mills, Limited, Ocean Falls, B. C., is erecting a pulp and paper mill of 100 tons a day capacity to be ready for operation by April.

The Port Arthur Pulp & Paper Company of Port Arthur, Ont., will build a pulp and paper mill to cost \$1,000,000.

All newspapers in Hungary, according to the Budapest despatch to Frankfurter Zeitung, must cease publication within a few days owing to lack of paper.

Most newspaper publishers, at a meeting in Washington with the federal trade commission, agreed to cut their requirements 5% below 1916 consumption.

It has been estimated that there is over 1,000,000,000 cords of pulpwood in the Province of Alberta; of this approximately 20 per cent, is in poplar, 15 per cent, in tamarack and jack-pine, and the balance in spruce of fair size.

A million cords of pulpwood is imported into the United States from Canada every year.

Newspaper publishers on this Continent are paying about sixty million dollars more for paper this year than last.

The United States consumes more than six thousand tons of newsprint paper a day, and only manufactures two-thirds of its supply, the balance coming from Canada.

While the damage to forests by gun fire in the fighting zones of the European war has been very great, it is observed that a comparatively small amount of damage will kill the coniferous trees but that the hardwoods will continue to grow and flourish even after they have been considerably shattered and splintered.

AUTOMATIC NEWSBOY

Invention of a newspaper-vending machine has struck a hard blow to the man who likes to get his news free, who moves from stand to stand absorbing knowledge from the pages, and blocking the way of men who want to pay cash.

Realizing the difficulty of getting boys to sell papers during school months and the fact that a large number of people read without paying, J. C. McBride, newspaper agent, devised a machine to overcome these troubles.

The Automatic Newsboy works in all kinds of weather, displays part of the first page and releases the paper when the coin is dropped in the slot. The machines are about the size of a United States mail box and are attached to stands which can be moved from place to place. Suitable attachments are provided for different priced papers and all spurious coins are automatically returned.

The machine has been tried out at the Boulder, Colo., depot, where many take trains for Denver daily, and excellent sales were recorded. One boy can attend 15 to 20 machines, and the papers are delivered clean and with edges unworn.—Wall Street Journal.

FORESTRY IN CHINA.

Popular lectures on the importance of forestry to China have recently been given in Peking under the auspices of the Chinese Forest Service. The lectures have been given by a Chinese official of the service. They were accompanied by an exhibition of Chinese woods.

SIGNS INJURE TREES.

Thousands of trees throughout Canada are being injured by the nailing of advertising matter to them. Not only is the bark injured and the cambium layer broken, which gives fungi an opportunity to attack the trees, but the spaces behind such signs serve as harbours for moths and other insects.

Conditions in the West

The Markets of the Month Have Been Narrow and Without Market Features of any Kind

By MISS E. CORA HIND.

(Special to The Journal of Commerce).

WINNIPEG, Man., March 3rd.

The price of wheat showed a material drop for the month of February, the decline being 8 cents on No. 1 Northern and 10 cents on No. 2 Northern, while oats have remained almost stationary, the decline being 3/4 cents for the month. The markets of the month have been generally narrow and without marked features of any kind.

The announcement during the past week of the movement of British shipping to Australia for movement of that crop to Britain, while it apparently had no immediate effect on the market, is nevertheless a significant circumstance. Canadians are beginning to ask, when will our surplus move? That surplus, by the way is larger than was figured on. The Free Press estimate of 175,600,000 bushels made in September last, with a possible 200,000,000 bushels, is now realized to be on the conservative side; there is little doubt that even allowing liberally for the carry over, there will be a full 200,000,000 bushels marketed from the crop of 1916.

To return to transportation, a rather significant thing, which many have passed over without observation, was the decrease in Canadian visible between the week ending February 16th and 23rd. That decrease was nearly two and three quarter million bushels, and where did it occur? In the Canadian stocks in American harbors. Was there any connection between that movement and the recent campaign from Britain for movement.

Conditions are very exceptional with regard to the opening of navigation. In former years it has always been possible to count on a very material movement of grain by boats, before the ice was ready to move, and if the rate was fair, the ore boats, which mainly worked on an appropriation of so much ore to be moved during the season, often made an extra grain trip. This season, however, every ore boat is contracted ahead for every ton it can move from thaw in spring to freeze up next fall and at a price that will mean very high rates for wheat if they consent to move it at all. A 10,000 ton ore cargo under favorable conditions can load in less than two hours, while the best possible speed for a wheat cargo of equal tonnage is 24 to 30 hours, so that the rate would have to be high enough to equalize that delay at both ends on ore.

TO BE OR NOT TO BE—OLEOMARGARINE.

During the past week oleomargarine has received a deal of attention. While dairy farmers held meetings to express emphatic opposition to allowing oleomargarine to be made or sold in Canada, civic deputations been waiting upon the Minister of Agriculture at Ottawa requesting the removal of the embargo on it.

The Housewives League of Montreal, last week circulated a petition, to be signed by the citizens of Montreal, asking the Government "to repeal the laws prohibiting the sale, manufacture and importation of oleomargarine." At their meeting on Friday last, the Housewives decided to send a delegation to Ottawa to ask the Government to make the use of oleomargarine possible.

Not every butter dealer is in favor of keeping oleomargarine out of the country as is proved by the fact that Mr. R. M. Ballantyne, of Lovell and Christmas, Ltd., is to move a resolution at the next meeting of the Canadian Produce Association in this city asking the Government to rescind the laws prohibiting the sale, manufacture or importation of oleomargarine.

Alderman Ward, of Montreal, who is in the provision business, is in favor of the removal of the restrictions on oleomargarine and says that the reason for the high cost of butter is that there are 2,000,000 fewer milch cows in the country than before the war.

The Ottawa Board of Trade passed a resolution calling upon the Government to permit the manufacture and importation of oleomargarine into Canada as a war measure; the City Council of Montreal endorsed the finding "that the manufacture and

if no boats are available the present outlook for movement of western crop is an extremely blue one. And if all the grain east of the lakes in Canadian and American harbors is to have right of way to sea-board, what ho?

There has been a good deal of discussion on the probable effect of the new regulations as to imports to Britain, but it is considered here that it has no bearing whatever on the policy of production that has been formulated, that it is the part of wisdom and patriotism to go on producing every possible bushel of grain and feed. The labor situation is shaping better than it did last week, though the problem is not solved by any means.

The vexed question of potato supply is still before the people. The high cost of living commission thought they had disposed of the matter when they had a few dealers before them who stated that there was at least three millions bushels of potatoes in Manitoba alone, and that at least 2,000 cars could be shipped out in safety. The press offered a few figures based on consumption and seed requirements that put a new phase on the matter and the commission have tackled it again. One of the difficulties in arriving at a correct estimate is the wide discrepancy between the Dominion and Provincial figures on the acreages seeded to potatoes last year. In Manitoba, for example, the discrepancy is more than fifty per cent. There is no anti-irritative means of finding out supplies. Many dealers swear there is an abundance, others equally in a position to know are asking for an embargo and in the meantime potatoes are going south at the rate of 20 cars per day.

The local price in ten bushel lots is \$2.00, and in cars on track, \$1.75.

Livestock.

February figures on livestock show the following comparison with last year:

	1916.	1917.
Cattle	7,599	3,230
Hogs	24,201	34,145
Sheep	414	21

Prices for hogs attained a new high level, sales being made at \$14.35 while the Grain Growers Company sold one whole car of stock at \$10.35, the high prices, so far, for a car lot.

sale of oleomargarine should be allowed in Canada." A civic deputation waited upon the Honorable Martin Barrill, at Ottawa to urge the removal of the embargo on oleomargarine. But the minister of agriculture gave them little encouragement. In replying Mr. Barrill said that the question was a big one. Three successive Governments and three successive Parliaments had gone on record as against oleomargarine.

There were two sides to the question, said Mr. Barrill. Butter was high in price, and the importation of oleomargarine might afford relief. But were they aware of the importance of the industry which they wanted to protect? "I do not think its importation would affect the price of butter now," said Hon. Mr. Barrill, "but in the long run it would hurt the dairy industry."

The Minister pointed out that three years ago the four western provinces were importing butter, but by 1915 the production in British Columbia, Alberta, Saskatchewan and Manitoba had trebled, showing how the industry had developed.

Butter had not gone up so much as other commodities, he said. He said that formerly Danish butter went to Britain in a steady supply. Since the war there had been a greater demand for Canadian butter, and the demand last year was something like 11,000,000 pounds, the largest since 1903. The importance of maintaining that steady supply was obvious, and was the biggest stimulant for promoting the manufacture of butter in this country.

Oleomargarine, said Mr. Barrill, was imported into all other countries, including New Zealand, but in every country there was also excessive legislation and fraud. The whole effect of the oleomargarine makers, he feared, would be to fraudulently sell their product as butter. The question would come up before Parliament, he said, but such a change as suggested

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FACTORIES IN

**MONTREAL, TORONTO,
OTTAWA, WINNIPEG**

would be fraught with endless difficulties and a lot of fraud.

British Import of Oleomargarine.

The following figures appear in the Weekly Report of the Trade and Commerce Department, taken from the Record of Trade Journal on the imports of agricultural produce by the United Kingdom for the week ending January 13, 1917, as compared with the corresponding week of last year:

	1916.	1917.
Butter	61,921 cwt.	79,333 cwt.
Margarine	37,493 cwt.	68,063 cwt.

It would seem that the demand for cheaper food in the United Kingdom is increasing the import of margarine to such an extent that it is now almost equal to that of butter.

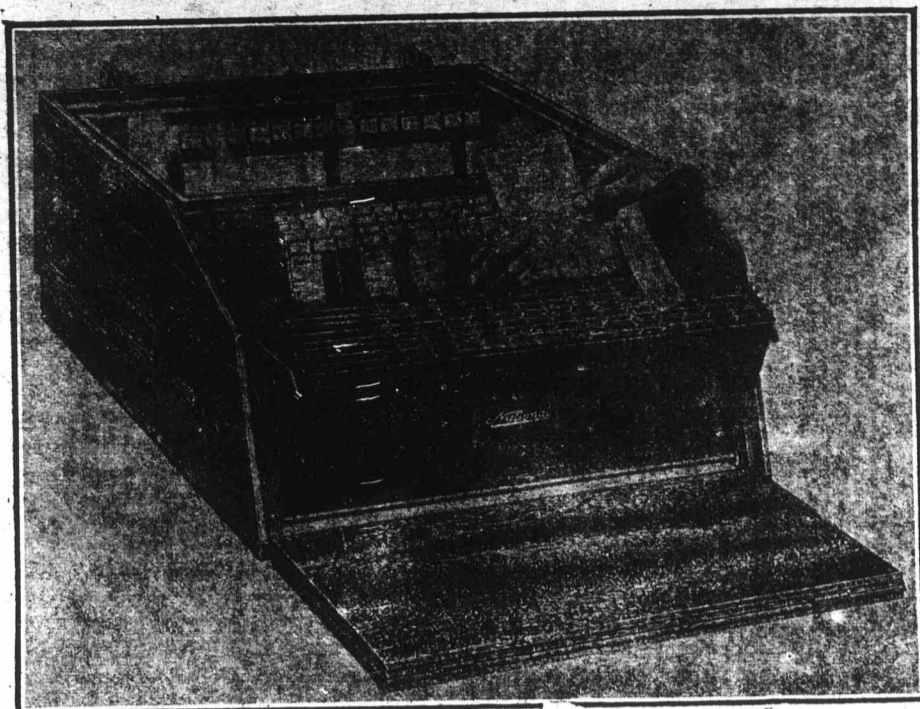
SUGAR.

The refined sugar situation is in a very complicated condition, chiefly owing to the recent political disturbance in Cuba. Last year the Cuban crop was in the neighborhood of three million tons. Early estimates of this year's crop varied from 3,400,000 tons to 3,572,000 tons, but owing to the unsettled conditions which have developed on the Island of late, as well as the further fact that the content in the cane is not as great as it was last year, these estimates will have to be greatly reduced. Many well-informed people are of the opinion that the final output will not exceed that of last year. While the revolution in Cuba has not developed to any serious extent from a political point of view, nevertheless it has caused a great deal of unrest among the working classes and fear on their part of coming into the cane fields, with the result that at the present time some thirty or forty centrals are working at a greatly reduced rate. The season is now getting so well advanced that it is practically impossible to make up for the time lost to-day, so that with unfavorable weather developments, the actual output of sugar for the year 1917 might be considerably reduced from last year.

In addition to these conditions at the producing point, the United States market is on a more or less fictitious basis owing to the freight situation and prevailing labor troubles. The great bulk of distributing jobbers throughout the United States are inadequately supplied, and in many instances are entirely without supplies to meet the insistent demand of the retailers and consumer and the result has been that those few jobbers who had any available surplus supplies could, if they desired, sell some at practically their own figures and the final distributor, the retailer, has had in many instances so little available sugar that the ultimate consumer has paid a price commensurate with the moral character of the distributor.

To make the situation clear and in concise language, the present unusual situation prevails:

First, on account of labor troubles; second, on account of the political situation in Cuba; third, on account of the large export business taken prior to the labor troubles; fourth, the fact that when the above situation has culminated the trade throughout the United States were and had been operating on a strictly hand-to-mouth basis, with invisible supplies in distributors' hands almost entirely exhausted, and, fifth, due to the general railroad and harbor and tonnage congestion in the various ports.



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COMMODITY MARKETS

Week's Wholesale Review

With more favorable weather, conditions on the railroads are improving daily, with a correspondingly beneficial effect on trade.

Dun's Bulletin says of Montreal trade: The wholesale millinery openings this week were fairly attended, though quite a few country buyers wrote that, owing to the curtailed and uncertain railway service, they would not make their usual trip. In the dry goods trade the activity hitherto noted is well maintained. Travellers on the road are securing good orders and the warehouses are busy with the getting out of spring stuff. The cotton mills are full of orders, in some cases sufficient, it is said, to keep them employed for most of the year. The strike of general clothing and garment makers is still in force, but thus far has not greatly affected trade conditions.

The hide market is quiet, with local offerings small and showing poor quality. Dealers are paying 25 cents for No. 1 green hides and 38 cents for No. 1 calfskins. Three years ago at this date No. 1 calfskins realized 19 cents. In the leather market a little more enquiry is reported, and all values are firmly held.

Groceries show a steady distribution, with little apparent change in values, except in teas, which show great strength, and considerable uncertainty prevails as to the future of the market. There is a marked scarcity of blacks. Refinery prices remain about steady on the basis of \$7.40 for standard granulated. Cured meats move rather slowly owing to the Lenten season, but prices are steady. Eggs are easier, owing to the advancing season, but butter and cheese remain high.

Paint manufacturers are reported very busy, with good orders still coming in.

General collections may be classified as good, and the failure list is again a remarkably light one, only five small failures being reported in the district for the week, with liabilities under \$25,000.

DAIRY PRODUCE.

BUTTER: Considerable activity is reported in the butter market, and prices are very firm. Round lots of choice creamery are selling at 43c to 43½c in some cases, an advance of ½c over ruling quotations. Dealers are predicting that prices will go as high as 45c before the end of the month, as stocks are very low. The report of the holdings of butter in Montreal on the first of the month amounted to 25,198 packages of creamery, which is a reduction of 23,265 packages during the month, and a decrease of 7,448 packages as compared with the corresponding date last year. The impression is, however, that owing to the reduced consumption consequent upon high prices, the stocks of butter will be sufficient to meet our requirements until the new make comes forward.

CHEESE: In this market the only business is of a small jobbing nature in supplying the local trade with finest grass cheese at 28c. The winter fodder goods have sold all the way from 20c to 24c, as to quality. The shipping situation is still very strong and freights from American ports are quoted at anywhere from \$3.00 to \$4.00 per 100 lbs. The general impression is that conditions will be very much more serious at the opening of navigation this year than they were last. Stocks of cheese in store in Montreal at the beginning of the month amounted to 14,756 boxes including Government holdings.

Butter:—	
Choice Fall Creamery Solids	0.43 0.44
Winter Creamery	0.42 0.43
Undergrade Creamery	0.42 0.42
Dairy Butter	0.39 0.40
City Selling Price to grocers:	
Creamery, Solids	0.44 0.45
Do., Prints	0.44½ 0.45½
Do., Prints	0.44½ 0.44½
Cheese:—	
Finest Western	0.27
Pine Eastern	0.27
Winter Make	0.25 0.26
City Selling Prices to grocers:	
Stilton cheese	0.27
Large	0.26 0.28
Twins	0.26½ 0.28
Quebec Cheese	0.26
Canadian Strong Cheese	0.27 0.28
Roquefort	0.28
Roquefort	0.65
Do. No. 2	0.44

COUNTRY PRODUCE.

EGGS: The value of eggs has at length come down, after having held up at winter prices much longer than usual. Owing to the poor condition of the roads, the farmers are having difficulty in marketing their produce, and consequently the receipts of Canadian eggs in Montreal are still insufficient to supply the trade. The bulk of the eggs coming forward are from Texas, Oklahoma, and California, bought in the Chicago market. With the increase of receipts, the price of eggs in Chicago has been declining daily, a drop of over 10c having taken place last week. With the duty and war tax as well as the necessity of bringing these eggs in by express rather than by freight, the cost laid down in Montreal is 10c above the original price.

POULTRY: Very little is moving in the way of live poultry into the city at present, and in general dressed poultry keeps in quietly steady market. The effects of Lent are felt to some extent but not to the extent that would be imagined. There is a fair continuous call for poultry supplies, and prices remain as last week.

HONEY: A fair amount of business was done in honey, there being a steady demand for small lots to meet actual requirements, and as supplies were ample to fill the same, prices show no change.

MAPLE PRODUCTS: Owing to the limited supplies of maple product available on spot, for which there is a steady demand for local consumption a very firm feeling prevails in the market.

BEANS: The demand for beans continues fairly good, and prices were firmly maintained for all grades.

Eggs:		
New laid	0.45	
Poultry—Live:	Per Pound.	
Powls, 5-lbs. and over	0.22	0.21
Powls, small	0.18	0.20
Fresh Killed Poultry:		
Turkeys	0.32	0.33
Old Turkeys, cocks	0.27	0.28
Powls, hens	0.20	0.21
Do., roosters	0.15	0.16
Chickens	0.22	0.23
Do., crate fattened	0.25	0.28
Squabs, per pair	0.35	0.45
Geese	0.18	0.19
Ducks	0.21	0.22
Maple Products:		
Pure maple syrup, quart cans	1.00	1.10
Pure maple syrup, 9-lb. tins	1.25	1.30
Extra choice syrup, 13-lb. tins	0.13	0.14
Pure Maple sugar, per lb.	0.13	0.14
Honey:		
Buckwheat, 5-10 lb. tins	0.12	0.18
Clover, in comb	0.16	0.18
Do., in 5-10 lb. tins	0.13	0.14
Potatoes:		
New Brunswick, Delawares, 90-lb. sacks	3.25	3.50
Quebec's, 90-lb. bags	3.00	3.25
Beans:		
Can. hand-picked car lots, per bu.	7.75	8.00
Three pound pickers	7.50	7.75
Five pound pickers	7.00	7.25
Six to seven pound pickers	6.90	7.00

FISH MARKETS.

The following are the dates of coming Lenten Fish Days: Wednesday, March 7th; Friday, March 9th; Wednesday, March 14th; Friday, March 16th; Wednesday, March 21st; Friday, March 23rd; Wednesday, March 28th; Friday, March 30th; Wednesday, April 4th; Good Friday, April 6th; Holy Saturday, April 7th.

With meat prices soaring, the fish sales during the present Lenten season should exceed all previous years. Of late, there is an undoubted increase in the general consumption of fish as a food, and it is an absolute certainty that fish will become more popular as a staple article of diet apart from religious prescriptions.

Much of the talk of scarcity in stocks of fish is unfounded. True, there are certain lines which are scarce and high in price, but there are plenty of other varieties of fish which can be had at reasonable prices and in abundance. The retail trade, up to the present, insist in stocking only certain lines of fish and certain sizes. They make no effort to introduce other varieties to the consumer. Excellent sea fish which can be produced easily and at reasonable prices are pollock, hake and cusk. These are all of the codfish family and excellent cooking and eating fish.

There has been considerable difficulty experienced by dealers in procuring their stocks of fish owing

to the tie-ups in freight transportation over the railroads. As a consequence, much fish has been brought in by express which makes the cost a little more. Transportation, and not scarcity, is responsible for small supplies and higher prices, but with better weather, this should improve.

The producers report that all classes of Atlantic sea fish are in good supply for the Lenten Season. Haddock is plentiful and prices reasonable. Lobsters (live) are easing up due to better weather and fishing. Frozen halibut is plentiful at from 17 to 18 cents per lb. Some fresh Atlantic halibut coming in, but price is high. The first fresh Pacific halibut of the season will be on the market this week—price from 18 to 20 cents per lb. All kinds of frozen and pickled stocks are getting lower. Bloaters are cheap and in good supply.

The following wholesale prices are quoted to-day:

Fresh Fish:		per lb.	
Pacific Halibut	0.18	0.20	
Steak Cod	0.10	0.12	
Market Cod	0.08½	0.09½	
Haddock	0.10	0.11	
Carp	0.10	0.11	
Fresh Frozen Sea Fish:		per lb.	
Halibut	0.18	0.20	
Mackerel (medium) each	0.20	0.20	
Mackerel (medium) large	0.20	0.20	
Salmon, B.C.	0.16	0.18	
Salmon, Gaspe	\$0.18	0.20	
Cod, Steak, by express	0.10	0.10	
Haddock, fancy, by express	0.09	0.10	
Smelts, No. 1 and No. 1 large	0.15	0.20	
Fresh Frozen Lake Fish:		per lb.	
Lake Trout	0.14	0.15	
Whitefish	0.12	0.13	
Perch	\$0.10	0.11	
Dore	0.12	0.13	
Pike	0.09	0.10	
Eels	0.10	0.10	
Smoked Fish:		per lb.	
Finnan Haddies	0.12	0.13	
Finnan Haddies, Finest, Boned	0.15	0.15	
Finnan Haddie Fillets	0.16	0.18	
Digby Herrings, per bundle of 5 boxes	1.00	1.00	
Smoked Boneless Herring, 10 lb box	1.40	1.40	
Kippers, 40s and 50s, per box	2.25	2.25	
Salted and Pickled Fish:		per lb.	
Herring (Labrador), per bbl.	9.00	9.00	
Salmon (Labrador), per bbl.	20.00	20.00	
Salmon (E. C. Red)	16.00	16.00	
Sea Trout, red and pale, per bbl.	15.00	15.00	
Green Cod, No. 1, per bbl.	14.00	14.00	
Mackerel, No. 1, per bbl.	21.00	21.00	
Salt Eels, per lb.	0.07½	0.07½	
Codfish (Skinless), (100-lb. box)	9.50	9.50	
Codfish (Boneless), Blocks "Ivory" Brand, per lb.	0.10	0.10	
Codfish, Shredded, 12 lb. box	1.80	1.80	
Strip Cod, boxes, 30 lb., per lb.	0.15	0.15	
Shellfish:		per lb.	
Lobsters, medium and large, lb.	0.65	0.65	
Prawns, Imperial gallon	3.00	3.00	
Shrimps, Imperial gallon	2.50	2.50	
Scallops	3.00	3.00	
Oysters, Selected, per gallon	2.00	2.00	
Oysters, Ordinary, per gallon	1.50	1.50	
Oysters, Malpeque, Choice, per bbl.	13.00	13.00	
Oysters, Malpeque, Shell, Ordinary, per bbl.	10.00	10.00	
Oysters, Cape Cod, Shell, per bbl.	12.00	12.00	
Clams, medium, per bbl.	8.00	8.00	

MONTREAL PRODUCE RECEIPTS.

Receipts of the principal commodities at Montreal for the past week follow:

	Week ending
	March 3.
Wheat, bushels	159,325
Oats, bushels	8,429
Barley, bushels	4,300
Flour, bushels	20,454
Butter, packages	813
Cheese, boxes	2,908
Eggs, cases	6,099
Potatoes, bags	1,809
Hay, bales	5,715

MONTREAL DAIRY STOCKS.

The following table shows the stocks of butter, cheese and eggs in store in Montreal on the dates mentioned:

	Mar. 1, 1917.	Feb. 1, 1917.	Mar. 1, 1916.
Butter—	1917.	1917.	1916.
Creamery, pkgs.	25,498	48,763	32,946
Dairy, pkgs.	3,288	1,410	2,775
Cheese, boxes	14,756	17,807	12,817
Eggs—			
Fresh, cases	1,114	359	361
Cold storage	630	5,180	1,691

PROVISIONS.

A somewhat slackened demand for cooked meats is anticipated during Lent. The outstanding feature in the trade last week was the increase of 10c to 15c in the price of live hogs, choice stock weighed off cars selling at \$15.35 to \$15.40 per cwt. Dressed hogs are quoted at \$21.00 to \$21.50 for fresh killed stock. Lard is in good demand at unchanged prices.

Current prices are as follows:

	Per lb.
Hams:—	
Smoked Hams, 8-14 lbs.	0.28
Do., 14.20 lbs.	0.25
Do., 20.25 lbs.	0.24
Do., over 25 lbs.	0.23
Bacon:—	
Breakfast	0.28
Windsor Bacon, selected	0.27
Windsor Bacon, boneless	0.32
Barrel Pork:—	Per bbl.
Short cut pork	40.00
Clear Fat Pork	43.00
Mess Pork	39.00
Bean Pork, American	39.00
Plate Pork, 200 lbs.	38.00
Pure Lard:—	per pound.
Tierces	0.22½
Tubs	0.22¾
Pails	0.23
Tins	0.23
Cases, 3, 5, 10's	0.23½
Prints	0.24
Compound Lard; Western Grades:—	
Tubs	0.17½
Tins	0.18
Cases, 3, 5, 10's	0.18½
Prints	0.19
Cooked Meats:—	
Roast shoulder pork	0.33
Roast hams, boneless	0.35
Tierces	0.17½
Cooked hams, boneless	0.38
Cooked hams, rind off	0.38
Head cheese	0.12
English brawn	0.11

LIVE STOCK.

MONTREAL: The supply of live stock on sale at the Montreal stockyards last week amounted to 600 cattle, 100 sheep and lambs, 1,700 hogs and 350 calves. Cattle prices were unchanged in a firm market as receipts were limited on account of the heavy condition of the roads throughout the country, and the congestion which still prevails on the railways. Trade was inclined to be slow owing to the high prices ruling and the fact that the consumption of meat is less in Lent. A fair demand was reported for canning stock of which offerings were limited.

The supply of sheep and lambs coming forward was light and consequently prices advanced 25c per 100 lbs. Calves were also stronger and prices of milkfed calves advanced 50 cents a cwt. Hogs remain unchanged under a steady demand from packers, sales of selected lots being made at \$15.25 to \$15.50.

TORONTO: Receipts of live stock for the past week amounted to 3,974 cattle, 609 calves, 10,941 hogs and 576 sheep and lambs. The split between prices for good butchers' and for common and medium cattle was widened by 25c to 30c as a result of the week's trade. On the opening market of the week, good cattle were steady at the previous week's close, and medium cattle were 10c to 15c off, with difficulty experienced in some cases in getting bids on some green cattle. The price movement for the week enhances the premium on finished cattle of good quality.

The run of hogs was considerably larger this week, being 10,941 head as compared with 7,340 for the previous week. Packers stated that their needs were well filled, and predicted that prices would go lower this present week if the run continues to be large. Calves were weaker in spite of the fact that the run was smaller. An increasing proportion of the calves brought into Toronto weigh between 80 and 100 lbs. and should not be marketed. Sheep and lambs were steady with the supply about the same.

Current prices in carload lots are as follows:

	Montreal.		Toronto.	
	Per cwt.		Per cwt.	
Butcher steers, best.	10.75	11.00	10.75	11.25
Do., good	10.25	10.50	9.40	10.40
Do., fair	9.75	10.00	9.50	10.00
Do., medium	8.75	9.00	8.50	9.20
Do., rough	8.25	8.50	7.60	8.20
Butchers' cows				
Choice	8.75	9.00	8.50	9.25
Do., good	8.25	8.50	8.00	8.30
Do., fair	7.75	8.00	6.50	7.00
Butcher bulls, best.	9.75	10.00	8.00	9.50
Do., good	9.25	9.50	6.75	10.50
Do., medium	8.75	9.00	5.75	6.50
Canners' cattle, bulls	6.25	6.50	5.00	5.25
Do., cows	5.50	5.75		
Light Ewes	9.75	10.00	10.25	10.75
Heavy Sheep	9.25	9.50	8.50	9.50
Cattle	9.25	9.50	7.00	7.50
Lambs, Quebec	13.25	13.50		

Do., Ontario Stock.	13.75	14.25	14.50	15.00
Calves, choice.				
Milkfed.	12.00	12.50	12.50	13.50
Do., hayfed.	7.50	8.50	6.00	7.00
Hogs, selects, weighed				
off cars.	15.50	15.25	15.40	
Do., heavy weights.	14.50	14.75	15.00	15.22½
Sows	13.25	13.50		

WINNIPEG GRAIN INSPECTIONS.

The receipts of grain at Winnipeg for the week ended March 3:

	This week.	Last week.	Last year.
No. 1 Northern	61	71	....
No. 2 Northern	274	252	....
No. 3 Northern	310	244	....
No. 4 Northern	164	149	....
No. 5 Northern	71	52	....
No. 6 Northern	46	35	....
Feed wheat	36	38	....
Rejected.	35	16	....
No. grade	554	526	....
No. 4 Special	31	26	....
No. 5 Special	26	26	....
No. 6 Special	17	6	....
Winter wheat	0	1	....
Totals	1,814	1,433	3,714
Oats	637	542	604
Barley	57	41	118
Flax	83	68	63

FLOUR, CEREALS AND MILLFEED.

The outstanding feature in the flour situation is the advance of 20c per bbl. which took place on Saturday, in sympathy with firmness in the wheat market. Since the last change in the price of spring wheat flour, wheat has advanced 15c a bushel, which is equivalent to 70c to 75c a barrel of flour. This fact, coupled with the low supplies on hand accounts for the increase, in today's prices. The railway situation has improved materially since our last report, as milder weather has given the workmen at the yards an opportunity to make good progress in sending out the cars. Nevertheless, shipments to points East of Montreal are slow and millers are having a great deal of difficulty in supplying their customers particularly in the Maritime provinces. The mills in general are busy filling the large orders for flour placed by the Government ten days ago. There continues to be a good demand for flour from United Kingdom buyers, but very little business can be done owing to the fact that it is next to impossible to get ocean freight space. A sale of 2,000 sacks of regulation flour was made at 58s 6d per 28s sack for shipment to Belfast, which is 1 shilling higher than the price of the previous sale.

Winter wheat flour remains unchanged, but higher prices are looked for in the near future as the Ontario mills are asking 25c to 30c a barrel more than they were. White corn flour being very scarce is up 40 cents a barrel, selling at \$7.60 a barrel in bags. Rolled oats are strong as the greater part of the output of Canadian mills is booked up for overseas orders. Mill feeds are very firm, an advance of a dollar a ton having taken place in leading lines straight cars of bran sold last week at \$38 a ton and shorts at \$43. The demand appears to be as keen as ever, in spite of the fact that supplies coming forward are materially reduced as the mills both locally and in the west have been only working to part capacity during the past month.

Current quotations are as follows:

	Montreal.	Toronto.
Flour:	per 96-lb. bag.	
First patents	4.90	4.85
Second patents	4.65	4.60
Strong Bakers	4.55	4.50
Feed Flour	2.85	3.70
Winter wheat flour, 90 per cent	4.10	4.25
Cereals:		
Rolled Oats, 90 lb. bag	3.35	3.45
Oatmeal, 98-lb. bag	3.80	3.80
Rolled wheat 100-lb. b.	3.60	....
Bag	4.45	....
Rye flour, 98-lb. bag	3.75	4.00
Feeds:	Per ton.	
Bran	36.00	35.00
Shorts	39.00	40.00
Middlings	40.00	44.00
Mouffe, pure grain grades	48.00	50.00
Do., mixed	44.00	47.00
Barley feed	41.00	....
Crushed Oats	47.00	....
Oatfeed	46.00	....
Hay, No. 2	13.00	11.00
An extra charge of 30c is made for flour in barrels.		

THE GRAIN MARKETS.

The grain situation is very erratic and prices are all tending upwards despite the assurances of the railroads concerning traffic conditions. The option markets have been advancing all the past week and now stand about 10c a bushel higher than they did last Monday with the premium reduced to one cent between cash and May delivery. The big demand for grain throughout the entire country cannot be met until the railway situation improves and that may not be until late after the opening of navigation if even then. What oats there are here are being held for the greater part by the Canadian Government and are awaiting to be bagged and shipped for overseas account. Oats quotations in sympathy with those for wheat have jumped up two and three cents per bushel. The C. P. R. have enormous quantities of grain to move to sea-board for overseas and this with the already acute car shortage, slightly relieved it is true in the past few days, has its effect on the market. European buying and new record prices on hogs are the reasons behind the corn situation. Corn is demanding the very highest premium, in some cases selling as high as 1.38 per bushel under a steady demand. Another factor is the estimate that domestic farm reserves of corn at some 256,000,000 bushels short of last year's aggregate while shipments from America last week were about four times those during the same period in 1916. The announcement by a large American shipping concern that it would not arm its vessels but instead transfer them for sailings to South America placed the wheat bulls at a disadvantage but the extreme probability that Congress will authorize the arming of merchantmen counteracted this.

It may be remarked that Montreal's stock of grains is the lowest on record.

The market during the past week has been decidedly bullish, with corn the leader as far as price is concerned. On the Chicago exchange wheat a week ago closed at \$1.77½ (May), \$1.51½ (June) and \$1.39½ (September) as compared with today's (Monday's) closing price of \$1.88½ for May, \$1.68½ for July and \$1.46½ for September. The Winnipeg exchange shows a similar rise; the prices a week ago being \$1.76½ (May), \$1.74½ (July) and \$1.47½ (October) in contrast to today's (Monday's) close of \$1.86½ for May, \$1.84½ for July and \$1.48½ for September.

The cash grain situation is as follows:

	per bushel.
Grains:	
Spring Wheat Manitoba, No. 1.	2.02
Do., No. 2.	1.99
Do., No. 3	1.94
Do., No. 4.	1.83
Winter Wheat Ontario, No. 2	1.73
Oats:	
No. 2 C. W.	0.77
Do, No 3 C W	0.76
Do, Extra No. 1 feed	0.75
Do., No. 1 feed	0.74
Do., No. 2 feed	0.73
Ontario Oats, No. 2, white.	0.73
Do., No. 3	1.72
Barley, No. 3 C. W., Red.	1.20
Do., feed	1.18
Corn, American, ex-track	1.30

EMBARGO MAY BE PLACED ON POTATOES.

With more favorable weather and consequently improved transportation facilities, heavier receipts of potatoes were received at Montreal last week. Prices are slightly weaker, although many good sized lots have changed hands at \$3.25 and \$3.50 a bag. Much lower prices are predicted for the near future. When the farmers have set aside their supplies for feeding, every available potato will be marketed in order to take advantage of the high prices. This unloading of supplies is bound to depress the market. With the opening of navigation shipments by boat are anticipated from Prince Edward Island where the crop was good last year, and also from the bays and inlets in the Rimouski district that are not accessible by rail.

Meanwhile the price of potatoes is very high, mainly owing to the insistent demand of American buyers who are shipping out of the country all the root vegetables they can lay their hands on. Last autumn the American Government repealed the law prohibiting the importation of blighted Canadian potatoes into the United States and since that time, although in reality we had no surplus over and above our own requirements, potatoes have been going over the border at the rate of ten or twenty carlots at a time.

The Government has been urged to take action in the matter and although no definite word has been received, it is confidently expected that an embargo will be placed on the subject.

G. T. R. HAS SUPERINTENDENT OF TRANSPORTATION.

Mr. J. E. Duval has been appointed General Superintendent of Transportation for the Grand Trunk Railway System.

Mr. Duval began his railway career as night operator on the Grand Trunk at Detroit. He joined the Canada Atlantic Railway (afterwards taken over by the Grand Trunk) as train dispatcher at Ottawa, leaving that line to accept the position of inspector of accidents with the Board of Railway Commissioners of Canada. After two years with the Railway Board he was called upon to organize the Canadian Car Service Bureau, a clearing house for all demurrage matters in the Canadian territory east of Port Arthur. Mr. Duval was manager of this bureau for eight years, resigning to accept the position of general superintendent car service, Grand Trunk System in 1913.

WOMEN REPLACE MEN.

Women are replacing men at the Angus Shops of the C. P. R.

These workers were organized by Mrs. Bell, the wife of Mr. J. Bell, the superintendent of the Windsor street building. They were carefully selected, and brought under shop regulations. They have done splendidly, and hold out the promise that women may undertake a variety of employments supposed to be the prerogative of men. The shops are turning out munitions, of course; but they are also building and repairing, and in connection with light duties in these regards the women do finely. The matter has now got beyond the experimental stage. The women are an economic factor to be reckoned with. They are adaptive, keen, taking an interest in their work, which they carry out with vim and enthusiasm. The Grand Trunk shops also employ women—comparatively few, far, but the superintendent is adding to the number. By and by women will play an important economic part in the supplying of transportation service in this country. One outstanding feature which the C. P. R. points out is the zeal with which the women perform their duties.

BRITISH EXPORTS FOR FEBRUARY.

Despite the unrestricted German submarine warfare, Britain's exports to U. S. during the month of February show a considerable increase over those of February a year ago. During February, 1917, exports from London to America reached the aggregate of \$11,061,276, as against \$12,371,166 for February, 1916, an increase of \$1,690,110. In January this year there was also an increase over the same month a year ago. Exports in 1917 were \$16,911,008, as against \$16,455,973 in January, 1916, or \$455,035 more.

Book Review

Leading Public Corporation Cases.

(The Carswell Company, Limited, Toronto), by ex-judge H. A. Robson K. C. and J. B. Hugg Barrister is a valuable collection of over one hundred judicial discussions of important topics of municipal law dealing amongst others with ultra vires, compulsory purchase, compensation, franchises, misfeasance non-feasance, assessment, rates, taxation, tax sales, borrowing, procedure at meetings, contracts and responsibility of members of councils.

Not the least interesting feature of the cases is the opportunity they afford of examining side by side the considered work of representative English and Canadian judges.

A VALUABLE EXHIBITION.

An interesting and valuable exhibition is being arranged in the Shaughnessy Building, McGill street, Montreal, by Mr. A. D. Little, for the C. P. R., to show to what extent hydro-electro products and processes may enter into the industrial life of the country through classifications which embrace, among other things, light, heat and power. The Dominion, with its immense waterways, lends itself, or will lend itself, when properly organized, to the application of the exhibits, which will be on view in a few days.

When the war broke out the making of munitions in Canada would have been impossible, on a large scale, had it not been for hydro-electro. In the domestic, the industrial and the chemical domain the application of processes and products (which will be on exhibit), is almost infinite, and it will be the object of the staff to trace the ultimate expression of certain products back to hydro-electro as one traces a family tree. The object will be to show the relation of certain electro products to general industry.

\$250,000,000 WORTH OF WAR HORSES.

The official summary of foreign commerce for 1916, which has just been published by the Federal Government, at Washington, last week, contains a record of the largest export movement in horses and mules in the history of the world. Here are the figures for the three years embracing the period of the war to the end of 1916:

Year.	Horses.	Value.	Mules.	Value.
1914	92,923	\$ 17,461,687	9,771	\$ 1,675,130
1915	443,914	91,627,171	121,006	23,825,924
1916	287,413	62,752,826	134,461	28,009,048
Total	823,350	\$175,041,684	265,238	\$53,510,102
	265,238	53,510,102		
Grand total	1,088,588	\$228,551,786		

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CHEAP TRAVEL.

The Grand Trunk and Canadian Pacific Railways are giving one cent a mile from all important boundary points with the idea of aiding the Government in its endeavors to get a supply of laborers to replace those who have gone to the front. It is hoped in this way to secure from the States many men who, though not suffering from unemployment, would be able to get better terms in Canada than in the States, at present. We need the labor; the Government recognizes this; and the C.P.R. and Grand Trunk are willing to make this concession in co-operation for a patriotic end. First class fare is three cents per mile, so that the concession is considerable. The new rate went into effect recently. The depletion of farm labor is felt in Canada, particularly in the West; and any measure which would bring in help would be appreciated. The railways are ready to co-operate at any time with the Government, for they have shown from the beginning a patriotic spirit, which has been generally commended.

WEEKLY RAILWAY EARNINGS.

With the exception of C.N.R., the final weekly figures (March 3) were lower than a year ago, but there were eight days in the period a year ago against seven this year. The figures for the last week were:

	1917.	Decrease, P.C.
C.P.R.	\$2,537,000	\$128,000 4.8
G.T.R.	1,139,386	34,713 1.9
C.N.R.	664,200	*16,600 2.5
Totals	\$4,340,686	\$146,113 3.2

(*)—Increase.

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DEPARTMENT OF FINANCE, OTTAWA
OCTOBER 7th, 1916.