

RECEIVED
JAN 30 1917

The Journal of Commerce

Vol. XLIII., No. 5

MONTREAL, TUESDAY, JANUARY 30, 1917

Price, 10 Cents

The Journal of Commerce

Devoted to
CANADIAN INDUSTRY, COMMERCE AND
FINANCE.

Published every Tuesday Morning by
The Journal of Commerce Publishing Company,
Limited.

Head Office: 35-45 St. Alexander Street, Montreal.
Telephone: Main 2662.
Toronto Office: 263 Adelaide St. West, Toronto.
Telephone: Adelaide 917.

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

Subscription price, \$3.00 a year.
Advertising rates on application.

MONTREAL, TUESDAY, JANUARY, 30

Special Articles

Cut Prices in the Retail Trade.

By W. W. Swanson.

values of the
specious app
This
barga

and Business Affairs in the U. S.
By Elmer H. Youngman.

The Dominion Treasury as a Bank of
Rediscount.

By H. M. P. Eckhardt.

Comments on Current Commerce.
By E. S. Bates.

PRINCIPAL CONTENTS.

Editorials:	Page
Latest from the President.....	1
The Conference.....	1
Theory and Condition.....	2
The Bopp Sentence.....	2
Returns to His First Love.....	2
Compulsion for Home Service.....	2
A Similar Case.....	2
Cut Prices in the Retail Trade.....	3
Banking and Business Affairs in the United States.....	4
The Dominion Treasury as a Bank of Redis- count.....	5
Gain in Britain's Trade.....	5
After-the-War Problems.....	6
Mentioned in Despatches.....	7
Public Opinion.....	8
Comments on Current Commerce.....	9
December Bank Statement.....	10
Bank of England Statement.....	10
Bank Branches Opened in 1916.....	10
Lumber, Pulp and Paper.....	11
Bank of Nova Scotia Annual.....	12
Provincial Bank Report.....	12
Among the Companies.....	13
Sir Felix Schuster Praises Allies' Finance.....	14
Bank of France Statement.....	15
A Sanitary Survey of a Trial City Block.....	16
Canada's 1916 Grain Crop Worth \$308,000,000. "A Little Nonsense Now and then".....	18
United States Leads for Insurance.....	19
The Week's News.....	20
British Dyes, Limited, Makes Remarkable Pro- gress.....	20
The Sensational Year in the Drug and Chemical Trade.....	21
Commodity Markets.....	22-24

Latest from the President

PRESIDENT WILSON, in his well meant efforts to promote peace, has again given the world a document full of amiable and lofty sentiments but somewhat lacking in practical character, lacking especially in due appreciation of the issues of the great war. So far as he expresses a desire that the United States shall become an active partner in a "league of peace," to become effective after the war, no exception need be taken to his views. Some new organization, aiming to obtain the co-operation of all civilized nations in securing peace, and clothed with power to enforce its principles against all who break the covenant, is much to be desired. No harm can be done by the United States undertaking a leadership in such a good cause. True, it involves a departure from the traditional American policy of refusing to be actively concerned in European affairs. But the fact is our American friends have reached a stage in the world's affairs in which their old doctrine respecting their isolation from the conflicts of European nations will no longer serve. As no man lives to himself, so no nation can live to itself. The United States must become interested in what other nations are doing, because the events in other countries often seriously affect the persons and business of American citizens. When the United States Government made war against Spain because of Spain's policy in Cuba, destroyed the poor Spanish ships, seized Porto Rico and the Philippines and undertook to set up Cuba as an independent Republic, the American people, perhaps unconsciously, entered upon a path which inevitably led to participation in the world's politics, possibly even to their becoming parties to those "entangling alliances" against which they had been warned by the statesmen of their earlier history. The interests of the United States become so deeply involved, in various ways, in a great war in Europe, that the Republic can easily be forgiven for a course of action so much at variance with the American policy of the past generations. And if the United States thus feels bound, by changing conditions, to concern itself in European affairs, may not similar influences require European nations to occasionally interest themselves in the affairs of the American continent, even to a degree not entirely in harmony with the Monroe doctrine?

In all that he may say and do for the formation of a league of peace after the present war, Mr. Wilson can receive the blessing of peace-lovers everywhere. But his notion of what should be the basis of the peace that is to end this war is one that cannot easily be understood. Peace without victory on either side, peace in which the two conflicting groups shall stand on terms of equality, peace through what both sides are to regard as a drawn game, such seems to be Mr. Wilson's novel idea.

One has but to think for a moment of the wars in which the United States has been engaged to be struck with the remarkable character of Mr. Wilson's proposal. How would such a suggestion have been received if made by any neutral power to the now United States in the latter part of the revolutionary war, or of the civil war, or of the war with Spain? Peace on terms of equality is a sound enough proposal at the first stage of a war, for then it is virtually an offer of an arbitration before the sword has been steeped in blood. But to talk of a peace of equality after Belgium and Northern France have been devastated by the Germans, after all the atrocities committed by the Germans on land and sea in defiance of every principle of honorable warfare, that surely is a kind of peace that passeth all understanding. There can be no enduring peace, Mr. Wilson argues, where either of the belligerents is crushed. There is no desire among British people to crush Germany in her peaceful work. But the crushing of the German military power, the crushing of the spirit of conquest that has been sedulously cultivated in Germany for many years, is necessary as the first step to a peace that is worth having. The crushing of the Hohenzollern dynasty may become one part of the necessary punishment, for that dynasty appears to be an embodiment of the militarism which menaces the world. The German people seem to have submitted too willingly to the Kaiser's policy, and for the moment they must accept the responsibility for the continuance of the war. But there is reason to believe that already among the masses of the German people there is arising a feeling that not their interests but the interests of the military classes have brought on the war and are carrying it on now. As clearer views of the cause and purpose of the war come to the German masses it is more than possible that they will welcome a peace which will be a great triumph for the Entente Allies, not over the better elements of Germany but over the conditions which too long have enabled the military power to glorify itself at the expense of the German people.

The Conference

A PLEASING feature of the proceedings in the opening days of the Parliament at Ottawa was the good understanding that was reached between the Premier and the leader of the Opposition respecting the proposed Imperial Conference in London. Sir Wilfrid Laurier stated that the opposition would facilitate the prompt despatch of all urgent war business, including the granting of necessary appropriations, so that Sir Robert Borden could be free to attend the meeting. The question whether the Parliament should continue in session or adjourn for a few weeks was left for the Government's consideration. It may be taken for

granted, therefore, that the Premier will arrange to attend the Conference.

The Imperial Government have given no definite statement of the nature of the business to be brought before the Conference, a point to which attention has been publicly directed by Premier Massey, of New Zealand, who is now in England, who apparently thinks that the representatives of the Dominions should, before going to the Conference, have some idea of what is expected of them. Until some further statement of the purposes of the meeting is available it will not be easy to form an intelligent opinion as to its value. We are doubtful as to the practical usefulness of such an assembly at present. The Colonial Office, before the thing is over, may find it an embarrassment. As regards the prosecution of the war, the Conference can do no more than is already being done, or than what the various parts of the Empire are ready to do without any Conference resolutions; and as to the after-the-war problems, it is questionable whether the time has arrived when these can be most conveniently and advantageously considered. However, as the Imperial Government have proposed the meeting, it is necessary that the Dominions shall accept the invitation and of course the Premier of Canada should be present with the representatives of the other Dominions. There will be general satisfaction in Canada at the good understanding that has been come to by the leaders of the two parties in this matter.

Theory and Condition

PRESIDENT WILSON, in his amiable reflections on the desirability of peace in Europe, would do well to bear in mind a bit of philosophy which is credited to one of his predecessors. "It is a condition and not a theory that confronts us," said Mr. Grover Cleveland, in discussing some questions that arose in his day.

Mr. Wilson is full of agreeable theories, which he usually presents in a pleasing manner. But he fails to take sufficient account of the realities with which the belligerent nations have to deal. His speech to the United States Senate reads more like an address to his Princeton students than a practical proposal to meet the conditions which confront Great Britain and her Allies in the war.

The Bopp Sentence

THOSE Canadians who are sometimes tempted to think that the pro-German element receives too much consideration in the United States should give a thought to what has just occurred in San Francisco. Mr. Franz Bopp, the German Consul-General, a German official next in rank to Ambassador Bernstorff, was suspected of having used his official position to encourage German residents of the United States to serve their home country in an unlawful way by placing bombs on board ships of Britain and her Allies and by attempting to destroy railways and canals in Canada. Once the American authorities found fair ground for this suspicion they prosecuted the investigations thoroughly, accumulated a mass of evidence which they placed before the courts, and pressed for the conviction of those who had thus abused the neutrality of America to serve German ends. Now comes the news that Consul-General Bopp has been convicted and sentenced to two years' imprisonment besides a fine of \$10,000. Two other German officials connected with the San Fran-

cisco consulate received similar sentences, and others concerned in the conspiracies are to receive due punishment.

Justice in this case seems to have been prompt and effective. Appeals may be taken and one cannot be certain of the ultimate decision. Meanwhile it is right that the zeal of the American authorities in San Francisco, and the firmness of the court, in vindicating American neutrality shall be acknowledged by all.

Mr. Bopp was for several years Consul-General for Germany at Montreal. One would have thought that an official who had thus partaken of Canadian hospitality would at least have refrained from unlawful conspiracy against Canada. But German "kulture" produces remarkable fruit in these times.

Returns to his First Love

JOURNALISTS throughout the country will welcome the return of Mr. R. S. White to the ranks. The announcement has been made that Mr. Robert Smeaton White, Collector of Customs at the port of Montreal, is returning to the Gazette as chief editorial writer. The Whites have long been intimately associated with the direction and management of that newspaper, and it seems almost strange not to have a member of the family writing editorials for that staid institution.

Mr. White succeeded his father, the late Hon. Thomas White, as editor-in-chief of the Gazette, and later followed in his father's footsteps as Member of Parliament for Cardwell, Ontario. While Mr. White was a useful and influential Member of Parliament his real work in life was done as a journalist. In turn as commercial editor of the paper, as its Ottawa press gallery representative, and later as editor-in-chief he did a lot of constructive work. He is unusually well informed on commercial and industrial conditions, and thoroughly versed in politics. His return to the Gazette will make for the strength and usefulness of that paper.

Compulsion for Home Service

A TELEGRAM from Toronto reports that a military conference held there, attended by two hundred officers, has resolved that it is necessary to bring into operation certain sections of the Militia Act, "which means the calling out of all single men between the ages of 18 and 30 years, and widowers without children, for service in Canada, from which it is expected drafts could be obtained voluntarily for overseas service."

The Toronto conference may have been a very proper meeting, and the policy it proposes may become necessary to meet the conditions of the time. But if the conference authorized or permitted the announcement of its proceedings the wisdom of such a course is questionable. Military officials are bound to give their superior officers the benefit of their knowledge, and their advice should be welcomed. Publicity, however, is the privilege of the responsible head of the department. If the Minister of Militia has authorized the publicity given to the proceedings of the Toronto meeting, nobody can complain. But unless the publication was so authorized by him the announcement of the recommendations of the conference looks like a grave breach of military rules.

A Similar Case

ONE of the complaints against the Adamson law, passed by Congress at the earnest request of President Wilson, was that it required the immediate granting by the railways of ten hours' pay for an eight hour day, and then provided for a subsequent inquiry as to the effect of this change upon the railway business. The question of the constitutionality of the law is now being argued before the United States Supreme Court. The other day, when one of the government's legal representatives was arguing in support of the law, he was interrupted by Mr. Justice Pitney, who put this case:

"Let us suppose that the railroads are buying coal by the long ton and that Congress passed a law compelling them to buy it by the short ton and pay the same price for the short ton that they had been paying for the long ton, and that Congress at the same time provided for an investigation for a period of a few months of the effect on the railroads of this increase in the cost of coal. Would you say that this would be constitutional?"

The lawyer, we are told in the report, "hemmed and hawed and said he couldn't see the analogy to the action of Congress in compelling an increase in wages and providing for an investigation afterwards." It is possible that, as a matter of American constitutional law, there may be a difference between the two cases, but to the ordinary reader they seem the same. Under our Canadian constitution there could hardly be a question as to the power of Parliament to make the law, either as respects coal or labor. As to the propriety or wisdom of doing so, there might be much question. The power of Parliament to do this kind of wrong things, is very broad. In the United States the railway companies seem to feel that they have a strong ground for claiming that the law is unconstitutional.

Whatever else may be said of Col. Theodore Roosevelt it cannot be charged against him that he is lacking in plain and vigorous speaking. In round and energetic phrases he denounces President Wilson's recent speech as a screen behind which the President shirks his duty. While the President's finely written sentences leave so much room for doubt as to what he means, it is refreshing to find his critic talking so plainly. But it is just as well that a person of Col. Roosevelt's emphatic language has not the responsibility of the Presidency.

The visit of the Irish Rangers, of Montreal, to Ireland, on their way to the front, one of the most pleasing incidents of war time, has afforded all parties, classes and creeds in the Emerald Isle an opportunity of co-operation that cannot fail to have a good effect. If Irishmen Canada, differing as they do in many things can lay aside their differences and unite enthusiastically for a common cause, the question naturally arises, why cannot Irishmen at home do likewise? Not only the war service but the general welfare of Ireland should be promoted by this visit of Irishmen from Canada. The men of the various classes who have come together to accord such a warm welcome to their overseas brethren should find in the occasion a bond of union for all other patriotic service.

Cut Prices in the Retail Trade

Psychological Importance of Bargain Price Lists.—The "Sacrifice" or "Slaughtered" Price has Outlived its Usefulness.—Understatement in Advertising of More Value than Overstatement

By W. W. SWANSON.

It is interesting to note the psychological and the practical importance of odd prices in semi-annual and other special bargain price-lists. In a study undertaken recently in this connection, it was found that in a special semi-annual bargain sale thirty-two per cent. of all prices quoted ended in the figure nine; sixteen per cent. in the figure five; thirteen per cent. in three, and twelve per cent. in the figure eight. Both retail dealers themselves and customers as well should be interested in examining the precise significance of this preference for odd figures in bargain sales; and both are equally interested also in discovering whether anything of real value to retailers or the community at large obtains in this practice.

At first glance odd prices seem to suggest real price reductions, and are no doubt considered by the merchant as a very valuable part of a general plan to secure that end. It is more than doubtful, however, whether such suggestions may be depended upon, and progressive retailers everywhere are beginning to suspect that this practice has outlived its usefulness. The theory underlying advertisements which quote goods at nineteen, forty-nine and ninety-eight cents, is that the reader will be convinced that much greater price reductions have been, in reality, made. It is hoped that these small but real price reductions will not only attract the usual bargain hunters, but a wide range of cautious and dependable buyers as well. This is no doubt true in part, but odd prices and claims of "sacrifice" and "slaughtered" values seem destined soon to be classed with the methods of retail merchandising of a bygone day. It is evident that the reliable and steady customer, who is well informed on the values of the day, can no longer be caught by such specious appeals.

This is not to deny that there are often genuine bargains specially offered by certain houses in the retail trade. In fact, many contingencies combine to make it possible, and, indeed, often to compel, merchants to offer goods far below the usual or customary rates. Dull seasons and dull days may be transformed into brisk seasons and profitable days through the offering of special inducements, a quite legitimate method to follow during these periods. Moreover, "stickers" and old stocks of slow moving goods must be somehow or other turned into liquid assets or else they will very shortly show a dead loss, particularly when changes of fashion occur to bring about rapid readjustments in business. It is obvious, also, that frequently manufacturers and jobbers misjudge the demands of the season, and stock up far in excess of the needs of the consuming public. Very often the wide-awake retailer is able to take advantage of such opportunities to secure goods a genuine bargain, which he can in turn quickly convert into ready cash to the benefit of all concerned. Less frequently bankrupt stocks and the stocks of other firms going out of business may be placed on the market, and here again the active and intelligent retailer is able to outsell his competitors. In fact, opportunities of the nature described arise among the hundreds of manufacturers, jobbers and retailers engaged in business in bewildering variety; and the pushful progressive merchant who seizes upon his opportunities in these directions is able thereby to present his customers with genuine bargains that have not only holding power, but attracting power as well. It should be observed, however, that in none of these instances it is essential to attract the customer by offering him articles at ninety-nine cents, let us say, rather than one dollar.

The customer buys, under these conditions, because he realizes that he is getting real value for his money. If he buys damaged goods or goods that are out of style, or whose color is not right, he knows perfectly well that quality and quantity being taken into consideration, he is getting all and more than he is paying for. Moreover, a "sticker" to a merchant may, at the right price, be an exceedingly good buy to the customer, especially to such customers who have little regard for style. The successful merchant realizes that if he is no fool, neither are his customers—at least those customers whose trade he wishes to attract and keep. It is for that reason that the really progressive re-

tailer to-day is beginning to doubt the value of odd prices, and is placing his main reliance upon right methods of conducting business and the giving of real value for value received.

The big, progressive men in the retail trade to-day understand thoroughly, also, that understatement in their advertising is of far more value to them in the long run than overstatement — for excess in trade, as in life, brings its own retribution. If our readers will study the advertisements of the most progressive and successful retail houses in the city of New York, they will see that there is a quietness, a dignity and a sincerity about the presentation of each retailer's case that goes far to account for the success which he has achieved. In a word, the strident, raucous voice in business grates upon the nerves of people worth while — and they are the people whom the retailer wishes to reach — as much as it does in decent society. The successful merchant in Toronto or Montreal does not make a hullabaloo about small bargains, but presents bargains that are bargains with earnestness and sincerity. It is quite true, of course, that there are "lamb" among the customers of retailers, as there are in the stock markets of Montreal and New York; but with this difference—that the "lamb" must continue buying goods from the retail trade, while they need not, and usually do not, continue to play the stock market once they have shorn. It is not necessary to point the moral more than to say that a satisfied customer is a good customer and a mighty advertising force every time.

It has already been said that bargains may be not infrequently secured by steady customers who have the wit and foresight to perceive them; and it is not necessary to attract the worth-while buyer to such bargains by flourishing the "discount knife." Excessive talk on discounts and cut prices is designed deliberately to appeal to the credulity of customers and not to their commonsense and good judgment; whereas the very foundation of lasting trade is laid upon an appeal to the reason of the buying public. It should cause no surprise, therefore, that the merchant, who offers a startling array of bargains day after day, comes to be considered, in the mind of the buying public, as not bona fide; and that his trumpeting, after a time, cease to compel interest. Deception in any walk of life does not pay, the least of all does it pay in the retail trade. The merchant who deliberately cuts goods into remnants, or who scatters piles of handkerchiefs in disarray, may, on occasion, have these wares snatched up eagerly on advertised bargain days; but these and other deceptions are invariably exposed in the end. The retailer who takes his loss on such goods with a smile, because he knows he will recoup himself on the enhanced prices of other goods, has entered upon a road that will inevitably lead to failure. The great majority of merchants to-day consider such actions as bad morally — or to say the least, injudicious. And when the consumer discovers that he has been deceived, the result to the retailer is out of all proportion to his temporary and fleeting gain. The practices which we have mentioned have nothing to do with such an expedient, for example, as lowering prices on a dull day, or in the morning, which will be advanced in the immediate future. At the same time, however, the merchant runs a risk even here; for the customer who has bought at twenty-five cents, rightly or wrongly, feels aggrieved when he discovers that his neighbor has got the same commodity for nineteen cents. It may be a platitude, but it will bear repeating once again — that the only right and safe policy to pursue, is to charge one price only, and to all, however low or high that price may be.

Great reductions — paper reductions — are usually great exaggerations, and the reputable merchant no longer finds himself compelled to talk of "slaughtered" prices or to use other similar terms. It is foolish also to assert that competitors cannot possibly meet one's prices; for although customers may not be able completely to investigate such claims, they know perfectly well that they are not warranted by the facts in any retail market of any considerable size. The simple truth is, that no merchant has an absolute monopoly of securing bargain opportunities; and where he has been fortunate enough to obtain such, he may be sure that his competitors will also be able to give bargains

sooner or later in the same or other lines. In a word, it may be said that merchants should be very careful not to claim everything all the time, or else, in the final analysis, their claims will be repudiated by the intelligent buying public. In conclusion, therefore, we may say, that the enterprising, progressive and sincere retailer of to-day is beginning to suspect the value of the bait of odd prices, exaggerated advertising, and exaggerated claims to monopoly of all the good things in business. He endeavors to substitute therefore a one price policy, fair dealing, courteous service, quality of goods and sincere and frank advertising.

FEIGHT SITUATION DIFFICULT.

Discussing the present freight situation with a representative of the "Journal of Commerce" last week, Mr. Bosworth, vice-president and general traffic manager of the C. P. R., stated that apart from the freight congestion caused by the recent heavy fall of snow, conditions were more favorable than they had been for sometime.

"The irregular conditions of transportation," said Mr. Bosworth, "are due to the fact that the railways have more goods to handle this year than they have ever had before. All lines of business are prosperous and consequently the movement of merchandise from place to place is unusually heavy. But before the demands of regular commerce comes the transportation of Government supplies, such as munitions, wheat, oats, hay and so forth. The recent embargo at certain points in the West and the present embargo in Montreal give us an opportunity to straighten out the tangle. The outlook today is in reality much more satisfactory than it was, and harring delays caused by storms, transportation should move more regularly from now on."

When asked to touch upon the question of ocean freight which is seriously hindering the exportation of flour, cheese and coarse grains at the present time, Mr. Bosworth regarded the difficulties met with here as practically insurmountable.

"As far as the C. P. R. is concerned," he said, "we have lost three of our largest freight carriers during the last two months. The Mount Temple was seized by the German raider in the Atlantic and two other boats are laid up in a dry-dock in England for repairs."

"Of course, the last two will eventually be back on this route but the Mount Temple has gone for good."

Gone for bad, rather, to those rascally Germans with 700 horses into the bargain.

As regards freight rates Mr. Bosworth did not consider that any change is likely to take place in the near future. "Any alteration will be up not down," he added, "for you must remember that on cheese, for example, the rates quoted from Boston are \$3.00 whereas our rate has held steady at \$1.50 for the past six months. Certainly we could charge higher rates, for after filling the space requisitioned by the Government there is only 15% of the cargo left. Until recently the Government commandeered only 75% of our freight space."

WAR FORTUNES MADE IN GREAT BRITAIN.

War fortunes are being made in Great Britain, says the Edinburgh "Scotsman", in the manufacture of munitions of war, in shipping, in coal, in many trades that have been stimulated to unusual energy and by fishermen—by the few who have been left to carry on that industry. Trawler skippers are driving their own motor cars and their wives and daughters ride in them clad in costly furs. Potato growers are gaining great wealth by the rise in "spuds." "A little over two months ago," says the "Scotsman", "a South Lincolnshire farmer sold his 1,000 acres of growing potatoes at £40 an acre, on the assumption that the price would be £5 a ton. He made a profit of over £20,000, but the purchaser is in a position to sell to-day at double the price he gave, and to make a profit on the deal of £40,000. Imagine £60,000 from 1,000 acres of potatoes! So much for the romance of the humble tuber, the staple food of so many hundreds of thousands of poor people, who will soon grimly wonder where the romance comes in, if to-day's abnormal prices are not immediately readjusted, and potato exploiters taught that there is a limit to profit mongering, even although the nation is in the throes of a great war."

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, Jan. 27.

High Prices For Meat.

That the war is not altogether responsible for the high cost of meat appears from a recent compilation showing the production of cattle in the United States for the past ten years. In this time it would seem that while cattle other than milch cows have decreased 10,000,000, and sheep by nearly 5,000,000, the population increased by 10,000,000. Compared with the previous ten-year period, however, the production of swine increased by about 13,000,000. It is shown that cattle and sheep are not only produced in smaller quantities in ratio to population than formerly, but that there has been in the past ten years a serious actual numerical falling off in production. This condition of affairs would have meant an advance in prices of meat even without the war, and of course this is what happened, the rise having occurred long before the war began. The war tended though to aggravate the shortage and still further to advance prices. That hogs should have shown an increase while cattle and sheep declined may be due to the fact of more intensive cultivation and the added production of grain crops used for animal food. While, on the other hand, the available pasturage for cattle and sheep, once furnished by the great western "ranges," has been diminishing year by year. The production of hogs has perhaps also been stimulated by the remarkable rise in the price of pork products, a rise greater in proportion than has taken place in the case of beef and mutton. Although the advance in the two latter products has been very great, it has not been sufficient to stimulate the production to an extent sufficient to keep pace with the actual increase in population, much less with the growing demand.

Direct Taxation.

The new Revenue Bill, which has been practically agreed on by the House of Representatives, which is the body that under the constitution exercises the sole power to originate revenue measures, greatly adds to direct taxation. No other course would be possible since there has been a large reduction in the duties on imports, coupled with enormous actual and contemplated increases in expenditures.

Complete statistics of the foreign trade of the United States for the year 1916 show that the total was \$7,872,617,266, of which \$5,480,900,931 represented exports and \$2,391,716,335 imports, an excess of exports amounting to \$3,089,184,596. These figures are quite without precedent, and they are of course due in an important degree to abnormal conditions produced by the war.

The gold movement has been exceptional also, the net imports for 1916 being \$529,951,671, compared with \$420,528,672 net imports in 1915. In 1914, however, there was a net exportation of gold amounting to \$165,228,415, making the net gain on the three years' gold movement \$895,251,928. That continued high prices and monetary ease will ultimately expel gold from the country, on the readjustment of the world's exchanges following the close of the war, may be expected. Amendments to the Federal Reserve Act are now pending looking to the protection of the country's gold stock. One of these amendments provides that the remaining payments which member banks are to make to the Federal Reserve Banks shall be made now instead of on November 17 next, as provided in the original law. The payments in question represent the transfer of reserve funds from member banks to the Federal Reserve in situations. If the impending changes in the law shall be made, as now appears probable, it is estimated that the Federal Reserve Banks will gain some \$354,000,000 of gold. It yet remains to be demonstrated whether or not the Federal Reserve Banks can exercise such control of the discount rate as will prevent or measurably restrict gold exports. It is well known that this function was not always easy of exercise by some of the great European central banks. As the membership of the Federal Reserve system at present embraces only a minority of the banks, and since the total resources of all the twelve Federal Reserve Banks are insignificant when compared with those of the banks of any of the large financial centres, this control may be even more difficult here. Much depends upon the co-operation of other banks, members and non-members.

Co-operation in Foreign Trade.

If the views expressed at the National Trade Con-

vention at Pittsburgh by James A. Farrell, President of the United States Steel Corporation, are representative of the general sentiment of this country, America cannot be expected to look with much favor on a league for economic warfare after the European war ends. On this point Mr. Farrell said that while it was a debatable question whether the United States can become a member of an international league of peace for the prevention of future wars, it is not at all doubtful that we can render an invaluable service to the establishment of lasting concord among the peoples of the earth by setting our face against anything that looks to the perpetuation of commercial war in peace. As to our part in helping to build up the areas devastated by the war, Mr. Farrell said that co-operation on the broadest and most generous scale, and in the most sympathetic spirit, must be the rule if recovery is to be quick and thorough. He suggested that our merchants, manufacturers and bankers must address themselves to this great problem in a spirit similar to that shown in dealing with the historic disasters at Chicago, Baltimore and San Francisco.

Estimates of the public and private property destruction already caused by the war have been placed recently at approximately \$6,000,000,000, and the end is not yet. As the replacement of this property must necessarily extend over a considerable period of time, the task is less formidable than appears at first sight. Both private and public capital in Europe will be called on for by far the larger share of this work of restoration, though the United States will participate in it to a certain extent. Whatever the Entente Allies may consider necessary to be done for their better economic protection, Mr. Farrell doubtless represents public sentiment in this country when he declares against economic warfare in time of peace. It can hardly be supposed that any league of nations would follow such a policy further than seemed compatible with their own interests.

Bank Clearings Less.

Returns of the clearing house exchanges of the United States for the week ended January 27th, indicate a total of \$5,465,156,404, compared with \$5,845,030,947 for the preceding week and \$4,353,524,907 for the corresponding week of 1916. Whether the slight falling off in clearings as compared with recent dates indicates a permanent tendency toward trade recession, or whether it merely shows a slight reaction which might not unreasonably be looked for at the beginning of the year, it is as yet impossible to determine. There must be a shrinkage of trading soon, for a good deal of the present volume grows out of the war, and the demands from that source are not wholly insatiable nor is the ability to keep up purchases on the present scale and to pay for them at present prices, absolutely without limit. Things sometime, somewhere and somehow come to an end, and this is as true of trade expansion as of other things. As to when the end of the present era of expansion will come, or whether there are already signs of a slackening, these are questions not easy to answer.

Foreign trade keeps up, December exports making a new high monthly record. It is not quite so easy to gauge domestic commerce, but the decline in bank exchanges — and there have been two successive declines of late — would seem to foreshadow a slight recession of the wave. The lessened bank clearings may, of course, be due to a falling off in speculation. Trading was more active a few weeks ago because of the excitement engendered by peace rumors. As the market has grown somewhat accustomed to peace talk, little effect is now produced by additional peace notes or "conversations." Probably in the not distant future a definite peace movement will begin, and it will then be interesting to see how the market stands the change and what the effect will be upon general business. President Wilson's address to the Senate on January 22nd had far less effect in these quarters than his previous peace note addressed to the belligerent powers.

Return of American Securities.

From a London source — Sir Felix Schuster, Governor of the Union of London and Smith's Bank — comes an estimate of the amount of American securities sold since the war began. Sir Felix puts the amount at \$1,750,000,000, though he was careful to state that exact figures were not to be had. Assuming these figures as fairly correct, it will be seen that the United States has taken over heavy financial responsibilities since the outbreak of the

war, for the loans to foreign governments are now around an additional \$2,000,000,000. This comparatively sudden reversal of the financial position of the United States will long remain one of the most dramatic chapters in the history of world finance. When the war began, there was pressure to sell American securities, and our drafts were held in so little repute abroad that a shipload of gold had to be despatched to Europe to meet the demands of American travellers stranded on the other side of the Atlantic. Gold kept flowing out of the country, and the net exports for 1914 were very heavy, but in the following year the tide turned, and now we are flooded with gold.

There must still be a large volume of American securities held abroad. This view gains confirmation from the amounts of these securities lodged in New York as collateral for loans to the United Kingdom. But, as time goes on, these securities are likely to find absorption in the New York market. For a long time Europe will need to lend rather than to borrow. It must not be lost sight of, however, that much of the English borrowing is only apparent, because these borrowings have been for the purpose of making loans to the countries allied with England in prosecuting the war. What is borrowed with one hand is lent with the other. Because of her large foreign investments and excellent credit, Great Britain can borrow on more favorable terms than most of her allies, and it is therefore more economical for her to obtain the credits in the first instance and pass them on to the other nations. When the final record of war finance is made up, it may be found that the foreign loans of Great Britain have not decreased in volume, but that the loans have been shifted from one country to another. It may be found, in fact, that the total has been largely increased.

Good Roads Movement.

For the fiscal year ending June 30, 1918, the United States Government has apportioned \$10,000,000 to be used in the construction of rural post roads. This is part of a total appropriation of \$85,000,000 to be gradually available for the same purpose. This movement for better public highways is one in which this country has lagged behind other prominent commercial nations, and no doubt the development of many localities has been seriously hampered in consequence. The change of policy has been hastened by the growth of the automobile industry. One branch of this industry — the manufacture of motor-trucks — is doubtless calculated to play an important part in local short-distance transportation in the near future. Its possibilities are already so great as to occasion some concern to the railroads. But as the trolley, with few exceptions, developed local and short-distance passenger travel and did not interfere much with the railways, even benefiting them in many instances, it is probable also that the carrying of goods by motor vehicles will stimulate local trade and help instead of harm the railways in the long run. Possibly this may afford a partial solution of the traffic problem. If the existing railways were relieved of some of the burden of local traffic, they could better handle inter-State commerce. With the existing congestion, some speedy means of relief is needed, and it may proceed in part from the direction indicated. For short distances not parallel with main lines of travel, and where the traffic hardly warrants the construction of a railway, the utilization of motor vehicles for carrying goods would be a great benefit and would probably increase railway traffic, since the motor lines act as feeders. The use of vehicles of this character in the cities is already rapidly supplanting horse-drawn vehicles, which are becoming every day less numerous on the principal thoroughfares. When this demand is measurably met, the motor-trucks will come into use in the country wherever good roads makes them practicable. An appropriation of \$85,000,000 for road improvement by the Federal Government shows how deep a hold this movement has on the public mind. States, countries and municipalities are also devoting large sums to road improvement.

State Regulation of Investments.

A decision of far-reaching importance to investment bankers and to corporations was rendered by the Supreme Court of the United States on January 22nd. This decision sustains the laws of the States of Ohio, Michigan and South Dakota regulating the sale of securities and designed to keep out so-called "get-rich-quick" schemes. This decision will also have the result of upholding similar laws in other States and will likely lead to legislation in those States that have not yet passed laws of this character. The regulation of the sale of securities within their borders on the part of the States, when

(Continued on page 19).

The Dominion Treasury as a Bank of Rediscount

The Outstanding Note Issues of the Dominion Government Rose from \$174,302,958 to \$187,047,531 between September 30th and December 31st in 1916—Consequently the Deficit or Shortage of Reserve as Compared with the Legal Requirement Shows an Increase

By H. M. P. ECKHARDT.

In the article on the Munition Credits and Increase of Bank Deposits, published in the "Journal of Commerce" on January 23rd, there was a brief reference to the re-discount facilities offered by the Dominion Treasury in connection with the munition credits extended by the banks to the British Government. Attention is further directed to this matter by the course of the Dominion note circulation during the last quarter of 1916. It will be remembered that according to statements recently made, the method by which the public treasury undertakes to assist the banks to carry their holdings of British treasury bills is through making loans to them in the form of Dominion notes, against pledges of the treasury bills as collateral. Thus a bank having a block of the British bills may in case of need take a part or all of its holdings to the Finance Minister and procure a loan, presumably up to the par value of the collateral, for such term as the assistance is required.

Between September 30th, 1916, and December 31st, 1916, the outstanding note issues of the Dominion Government rose from \$174,302,958 to \$187,047,531—the increase being roundly \$6,700,000. At the same time the gold reserve held against the notes remained practically stationary. On September 30th the reserve was \$113,690,728; and on December 31st, \$114,131,731—an increase of only \$440,000. Consequently the deficit or shortage of reserve as compared with the legal requirement shows an increase. This was \$23,112,230 in September and \$29,415,800 in December. The following table shows how the deficit has been running since the outbreak of war: (000's omitted).

Dominion Note Circulation.

Date.	Outstanding.	Reserve Required.	Reserve Carried.	Deficit.
1914—Sept. . . .	\$136,505	\$ 99,005	\$ 39,250	\$ 9,755
" —Dec. . . .	162,395	124,895	89,317	35,578
1915—Mar. . . .	157,056	119,556	89,401	30,155
" —June. . . .	152,120	114,620	89,573	25,047
" —Sept. . . .	153,039	115,539	90,803	24,735
" —Dec. . . .	178,780	141,280	115,118	26,161
1916—March. . . .	177,943	140,443	115,743	24,700
" —June. . . .	175,497	137,997	114,071	23,926
" —Sept. . . .	174,302	136,302	113,690	23,112
" —Dec. . . .	181,047	143,547	114,131	29,415

Most of the expansion in Dominion note circulation during the last quarter of 1916 occurred in November and December—the increase for those two months being \$6,400,000. On referring to the Finance Department's statement of assets and liabilities, it is seen that in the same two months there was an increase of \$7,400,000 in the investments other than sinking funds. Under the circumstances it is but natural to infer that the "other investments" referred to perhaps consisted of loans to certain of the banks against pledges of British treasury bills, and that the proceeds were paid to the banks in the form of Dominion notes. Such a transaction if carried through, would affect the Government's statements exactly as the figures show, providing that the loans to the banks were debited by the Department to the investment accounts. Some critics would consider, however, if a special issue of Dominion notes were made against securities as above-described, that the Dominion's position might be shown to better advantage through reporting the acquired securities as part of the reserve held against Dominion notes. They would virtually represent reserves against the outstanding notes, and if shown as such in the Government returns the effect would be to cut down the deficit. Also the position would be clarified further if the collateral securities figuring as reserve were specified. For example, if \$6,000,000 of British treasury bills were held, the statement could declare the fact. Although a reserve so constituted would not be exactly equivalent to so much gold, it would nevertheless leave nothing to be desired as regards safety and realization. It would mean that the holder of a Dominion note so secured would be protected first by his recourse against the Dominion Government and again by recourse against the British Government and the Canadian bank pledging the collateral.

Notwithstanding the strength of the collateral it is not advisable that the Dominion note issues be expanded unduly on this basis. Fortunately there is no indication as yet that the banks intend to avail themselves immoderately of the rediscounting facilities offered by the Treasury. If as a result of the new credits accorded by them in 1917 they were loaded too heavily with the British bills, we should probably witness quite an important rise in the Dominion note circulation based on securities; and if that occurred, discerning critics here and abroad would take it as an indication of danger. If Canada is required to take British securities largely in excess of what the banks now hold, the soundest plan would be to offer them to the investment public at an interest yield approximating that of the new \$250,000,000 British loan in New York, and it is to be hoped that that plan will be followed.

At the end of 1916 the banks held roundly \$100,000,000 in British treasury bills. The article published on January 23rd showed approximately the amount held by each banking institution. As the bonds were distributed according to paid up capital and as the aggregate holdings were only \$12,000,000 or \$13,000,000 less than the aggregate paid-up capital of the banks, each bank has apparently been required to invest an amount equal to 90 per cent of its paid up capital in this form. It is easy to understand that with so large an amount placed in the one special investment, some of the banks would be short of funds when a period of extraordinary demand for credits was encountered. The last quarter of the

calendar year is such a period—most of the banks are then required to make extensive loans directly or indirectly based on the grain movement—and to tide them over the season of abnormal pressure, certain institutions may have taken advantage of the rediscount facilities. From the banks' point of view this would be quite legitimate and should not, under the circumstances, be construed as in any way indicating weakness.

Of course, temporary loans made to the banks for crop moving purposes would be cleared off, in the ordinary course, during the first quarter of 1917. Payments would be made in the form of Dominion notes; and on receipt thereof the Department would cancel the notes and surrender the security. Thus the excess issues of Dominion notes would be reduced; and if the above-mentioned surmise as to methods of bookkeeping is correct a corresponding decrease would occur in the balance of other investments, on various occasions in the past, banks have procured loans from the Dominion Treasury on securities, but the monthly bank returns scarcely ever show the traces of such transactions. It has been something of a mystery to outsiders. There is no column on the "liabilities" side of the bank statement for "loans from the Dominion Government". Such loans might perhaps go under the heading "Balances due to Dominion Government, after deducting advances for credits, pay lists, etc."; but this item is generally taken as covering merely the Dominion's deposit balances in the banks.

Loans made to Banks.

With reference to the loans made to banks by the Finance Minister against pledge of the munition securities, it would seem desirable to fix the interest rate at a level slightly above the rate yielded by the securities pledged. This would have a tendency to expedite the liquidation of the loans. When the loans from Government draw a comparatively high rate, the banks would be more disposed to defer or postpone their rediscounting operations; and they would lose no time in taking up the paper, as soon as they are in funds again. Whereas if the Government's lending rate were slightly below the rate of return derived on the collateral, there would be a profit secured by the banks through borrowing and allowing the loans to run indefinitely.

Gain in Britain's Trade

The London (England) Board of Trade reports for the year of 1916 increases in imports of £97,259,000 and increases in exports of £121,677,000. The chief import increases were in food and raw material, including £129,000,000 in cotton. The principal export increases were in manufactured articles, including a gain of £32,000,000 in cotton textiles.

For December there was an increase of £5,079,000 in imports and an increase of £5,098,000 in exports. The principal increase in imports was £4,000,000 in cotton from America. The chief gain in exports was £4,000,000 in cotton textiles.

Cotton goods exported during the year totaled 5,255,504,000 yards, against 4,748,453,000 yards in 1915. Cotton goods exports in December aggregated 499,361,000 yards, against \$374,209,000 yards in the same month in 1915. The exports to the leading foreign countries during December compare as follows (in yards):

	1916.	1915.
India	247,315,000	171,998,000
China	27,831,000	34,674,000
France	4,754,000	10,157,000
Egypt	28,411,000	20,282,000
Central and So. America	35,519,000	27,304,000
Dutch East Indies	46,638,000	12,573,000
United States	6,255,000	3,609,000
All other countries	102,641,000	93,512,000
Total	499,361,000	374,209,000

The following table gives the trade of Great Britain for the year to date, by months, compared with the corresponding months of last year and the previous year:

	Imports.		
	1914.	1915.	1916.
January	£5,065,009	£67,346,391	£74,948,241
February	62,353,651	65,200,472	67,348,243
March	66,947,515	75,462,049	86,092,894
April	61,626,330	73,638,582	75,685,362
May	59,099,290	71,008,588	83,814,530
June	58,281,653	76,008,538	87,036,349
July	59,376,434	75,723,767	76,772,371
August	42,342,207	69,406,919	76,116,534
September	45,006,607	70,236,237	77,488,368

October	51,379,435	67,816,406	80,816,406
November	55,518,130	71,622,274	98,116,406
December	67,316,898	70,326,915	75,405,915

Total for y'r. £696,635,113 £851,893,350 £949,152,305

Exports.

January	£47,806,165	£28,247,592	£36,757,167
February	41,261,797	26,176,937	36,335,782
March	44,518,661	30,176,066	37,598,119
April	39,946,822	32,169,733	36,817,639
May	59,099,290	71,600,894	47,024,411
June	58,281,653	76,008,588	47,274,563
July	44,405,380	34,721,511	46,323,057
August	24,211,271	32,438,855	47,720,323
September	26,674,101	32,308,432	43,477,677
October	28,601,815	31,968,965	44,714,965
November	24,601,619	35,639,166	51,563,965
December	26,278,928	33,947,519	39,045,519

Total for y'r. £430,721,357 £384,868,448 £506,545,448

The suggestion is made by a correspondent of the Insurance Record that, while the Prime Minister is creating new offices, he might consider the desirability of having a Minister for Insurance. This proposed reform is, however, condemned by some as unnecessary and conducive to an abandonment of the "freedom and publicity" which have made insurance business what it is. And, if a Minister for insurance, they ask, why not one for banking, railway interests, etc.? A good many think, nevertheless, that it is very absurd that the President of the Board of Trade, who never knows anything whatever about insurance, should be the Minister responsible for that vast business, and that in the interests of the companies, and the public, reform of some sort is called for.

NEW LYALL DIRECTOR.

Hugh MacKay, K.C., who a few days ago, was elected a director of the Wayagamack Pulp and Paper Company, has been elected a director of the P. Lyall Construction Company where he will fill the vacancy caused by the death of his father.

After-the-War Problems

PROBLEMS THAT WILL CONFRONT US WHEN PEACE IS ESTABLISHED.

The question uppermost in the minds of business men as the New Year opens is, what conditions must be faced in our own country when—as sooner or later must occur—the greatest of the world's wars end? The Journal of Commerce has invited the views of men who admittedly are representative of our various national activities—men identified in a large way with finance, trade and industry—on this conceded large subject. Their statements, which are appended, will repay careful perusal.

BY MR. J. S. DENNIS,

Assistant to the President of the Canadian Pacific Railway, and President of the Canadian Society of Civil Engineers.

Although at the present time, owing to absence of our men at the front and our national war prosperity, we are handicapped in certain industries by a shortage of labour, at the close of the war we shall face a very different situation. In addition to the labour already in the country we shall have to provide employment for our own returned soldiers—many of whom were out of employment when they enlisted—as well as a large percentage of the soldiers from the British army.

Of the 4,000,000 men in Great Britain fighting for us, a large number will not be satisfied to return to their former surroundings after the war. Their whole attitude has been changed by their experiences at the front, and they will wish opportunities to develop along new lines. They will have heard much of the free life in the colonies from their Canadian companions in the trenches, and the very name of Canada already appeals strongly to every British soldier. They will come to us in thousands, men seeking work.

Great Britain will not be in a position to give employment to all of her returned men, and in many cases the returned soldier will be no longer fit for civil life. A further complication to the situation in England will arise from the fact that large numbers of women have entered into the industrial life of the country. Employers have found that women in many positions give better service than men, and therefore they will not be willing to displace them even for patriotic reasons.

That there will be a large increase in our population in Canada, seems to be a reasonable supposition. The very fact that within one year after the close of the South African War, no less than 120,000 of the 300,000 British soldiers discharged from the army emigrated to America, amply justifies this statement. Thus, if we are to be guided by past experience, we should be preparing now for a heavy influx of immigrants as soon as the war ends.

Quite apart from the question of British emigration, we must take into consideration that the people of Northern Europe will probably flock to this country. It is true that their labour will be needed at home and their government will pass laws prohibiting emigration. Nevertheless, that will not hold them back. It has always been illegal for the men of Russia, Austria, Italy, and Germany to leave their country before performing their military duty, and yet 1,200,000 to 1,500,000 men from Northern Europe have arrived each year in America, having evaded the authorities of their home lands.

In Canada we need all the agriculturists we can get. As the Northern European usually has an agricultural vocation and therefore makes a good settler, we should welcome him and send him where he is most needed—to our North West. The returned British or Canadian soldier is a more difficult proposition. It is a fallacious dream to imagine that any large proportion of these men will settle down on the land. They will not. Our greatest problem will be to provide work for them. In the radical readjustments of our wage scales we shall find further complications.

The Canadian Government unfortunately has not yet dealt with the important matter of establishing labour bureaus and making other practical preparations for the return of our men and the immigration that will follow the close of the war.

BY MR. J. R. DOUGALL,
Editor of The Montreal Weekly Witness.

The great effects will be the moral ones. It is strange how often good comes out of evil. Out of this horrible Ottawa school war that threatened the life of our nation has come this blessed *bonne entente* movement. Honor to all who have part in it, and may we yet become a nation indeed. Canadians are feeling that they must draw together if they are going to hold control of their own country against unbaked foreigners. The war has also aided this good-will movement. Canadians of both races have fought well side by side, in much more even numbers as to native Canadians than would appear from the size of the English and French speaking battalions, and have learned to respect one another.

Are we to be swamped by a new population? Well, let us do all we can to make ready. But we shall yet have time to draw breath. In the countries from which strangers come labor has been immensely depleted and there are cities laid waste and industrial plants in ruins. There will be a crying demand for labor—much less in America.

The migration that will tax the world's shipping for months and years with our soldiers.

These are our problems. In five years Canada will be in their hands. What will they be, and what will they want? Will they be a league of pension demanding parasites, like those of which the United States has been prolific, or will they come back tempered by the realities through which they are passing for higher citizenship?

I wish the churches had not postponed union till after the war and were free from divisive problems to plan for initiating these strong young men who shall have overcome the wicked one into the services of clean, honest and progressive citizenship. On these the country's future largely depends.

BY SIR WILLIAM PETERSON,
Principal of McGill University.

The problems that will confront us when peace has been established do not seem so pressing to me as the winning of the war. That is the only thing that matters. Canada is not yet awake to the real seriousness of the conflict and it is time she was. The critical stage of the struggle has not passed. I do not wish to seem to belittle the glorious part which our sons have played thus far. When the call came in 1914, to the lasting credit of the Dominion let it be said she did not hesitate, but rose to the occasion brilliantly. To-day, however, we seem to be sitting back viewing our achievements with satisfaction instead of continuing in our good works, and that attitude will never win the war.

I do not advocate conscription, though I think the Government might at least put the Militia Act in operation. A good deal of nonsense is being talked about our need of men at home to make munitions, to keep up the industries of the country, etc., but what good will be accomplished if we sustain the business of the country while we allow the Germans to conquer?

Education after the war?

If our Government could only be persuaded to continue, for six months, to expend for education what is now being contributed for war expenses, this terrible war would have conferred a great benefit upon the Dominion.

BY MR. J. T. FOSTER,
President of The Montreal Trades Council.

Allowing from a year to eighteen months for readjustments I anticipate an era of unprecedented prosperity for Canada, after the war.

We workmen do not fear military conscription but we do fear and should resent industrial conscription without a simultaneous conscription of wealth.

There is no scarcity of labor. Of course, some trades are having a little difficulty in getting skilled workers but what I might call our staple industries are very inactive and have been since 1914. And as a matter of fact some branches of trade, for instance, the building trade, are practically extinct.

There has been no necessity for utilizing interned men as laborers. When that has been done the mo-

tive has been economy on the part of the employer. Skilled men are a little scarce in some trades but semi-skilled and unskilled labor is plentiful—too plentiful. Higher wages are being demanded by the workers to meet the higher costs of living and that accounts in most cases for the employment of interned men. There is a tendency to employ women to drive men from their positions and that is usually done for reasons of economy also.

Allowing a year or a year and a half for readjustments after peace has been established I expect an era of unusual prosperity for Canada. Why? Because, the money raised to meet Canada's share of war expenses contributed by Canadians has been spent largely in our own country. Then Britain and the Allies are expending vast sums of money in Canada, so that Canada should be richer, not poorer after the war.

When peace comes the capitalists who have been enriched by the munitions boom are bound to find something in which they can invest their accumulated money. Capital cannot be allowed to remain idle, therefore, new industries must be developed. And depend upon it the means of utilizing the munition factories and plants will be found.

Our attitude to National Service? We do not fear military conscription but we do fear industrial conscription. However, we should not resent industrial conscription if the Government conscripted the profits instead of allowing the capitalists to be enriched at the expense of conscripted labor.

By MR. HUNTLEY R. DRUMMOND,
President of Canada Sugar Company and a
Director of the Bank of Montreal.

My ideas as to what conditions will follow the declaration of peace are so vague I would not venture any prophecy: That I leave to others.

It seems to me sure that if this terrible war should lead to a revival of a style of living requiring the practice of those old fashioned virtues, thrift, honesty and hard work—virtues that we had partly discarded—we will be making the best possible preparation for anything that may occur in the future.

Let us give up electro plate for the solid silver.

Whether we have prosperity or depression after the war, we certainly will have tremendous problems to cope with, and heavy burdens for years to come.

Morally fortified in this way against the worst that may happen, we are also amply prepared for the best should it come.

Thrift, honesty and hard work should be our watch-words.

By MR. A. O. DAWSON,
Vice-President and Managing Director Canadian Cottons, Limited.

The outlook for trade in cotton piece goods is hopeful for the next few months: All the cotton mills are well sold ahead, and further orders are obtainable when wanted. As the cotton crop of the United States this year will run about 3,000,000 bales below the requirements of the world's spinners, this staple is likely to rule very high in price throughout the year. Add to this the enormous prices being paid for dyestuffs, chemicals and all other supplies, and it can be seen that the mills will be compelled to obtain very full prices for their products.

If the war should by any means come to a speedy close, it is believed that raw cotton would reach a very high figure, due to the fact that the Central Empires are desperately in need, and the demand for at least a few months would be unprecedented.

England is taking a large quantity of cotton, considering that she is badly handicapped through a shortage of textile workers, and because of this shortage and the increased difficulty of shipping, there is sure to be a heavy shrinkage in the imports of cotton cloths from England into Canada during the period of the war.

The quantity of cotton being used in the manufacture of automobiles, tires, cushions, etc., is enormous, and most of this business has developed since the outbreak of the war.

There is still a great shortage of help in the cotton mills, and these industries will doubtless be able to absorb some of the workers who will later on be liberated from the munition factories. The same may be said of other industries, so that it would appear as if there will not be any great surplus of labor for many months after the war has come to a close.

Mentioned in Despatches ∴ ∴ ∴

H. W. Richardson, who has been called to the Senate, is one of Kingston's best known and most distinguished business men. He was born in the Limestone City, educated there and has carried on his business in that locality. Mr. Richardson is a grain merchant, and as head of the firm which bears his name transacts one of the biggest businesses on the Great Lakes. He has been offered nominations for Parliament, but prefers to confine his activities to industrial matters connected with his native city. One of his sons was killed at the front a short time ago.

Mr. J. G. H. Bergeron, Montreal's Postmaster and former Member of Parliament for Beauharnois, has just died in Montreal. The late Postmaster, who was born at Rigaud in 1854, was known in the House as the "Beauharnois Boy," representing that constituency for some twenty-eight years, being defeated in 1911. He had been a prominent member of the Conservative Party, except for a short time when he left his former colleagues as a result of the execution of Louis Riel. Sir John Macdonald's sunny ways induced him to make his peace with his colleagues, and the "Prodigal Son," as Sir John designated him, again returned to the fold. Bergeron was well liked by the political men of both parties, and was a good example of the more tolerant, broad-minded French Canadian public man.

R. S. White, Collector of Customs at the port of Montreal for the past twenty-one years, has resigned his post and goes back to his old love, journalism. Mr. White is returning to the Gazette as its chief editorial writer, a position he occupied many years ago. R. S. White was born in Peterboro in 1856, his father being the Hon. Thomas White, a prominent Conservative of Sir John Macdonald's time. He was educated at McGill, and then joined the Gazette away back in 1874, eventually succeeding his father as editor-in-chief of the paper. Mr. White also followed in his father's Parliamentary footsteps, representing Cardwell in the House of Commons in 1895. Journalists throughout the country will welcome the return of Mr. White to the profession. He was one of Canada's ablest journalists, and his articles on commercial topics have long been regarded as among the most authoritative ever written. He is extremely popular with the business men of Montreal, as his administration of the customs has been characterized by the utmost tact and an unflinching courtesy.

Sir William Mulock. — The citizens of Toronto under the chairmanship of Sir William Mulock, have given an emphatic answer to the peace proposals of the Huns by subscribing \$3,259,000 for patriotic and Red Cross purposes. This is only one of several big contributions made by that city. A year ago something in the neighbourhood of \$2,500,000 was secured, also under the chairmanship of Mulock. Sir William is one of the veterans of Canadian Liberalism, and is well known to the people of the Dominion as a former Postmaster-General in the Laurier Cabinet, and as the creator of the Labour Department at Ottawa. Sir William was born at Bondhead, Ontario, seventy-three years ago, educated at the University of Toronto and then studied law. He was a member of the House of Commons for nearly a quarter of a century, retiring in 1905 to accept the position of Chief Justice of the Exchequer Divi-

sion for the Province of Ontario. Throughout his entire life Sir William has been keenly interested in social service and patriotic movements.

William F. De Morgan, the English novelist, who has just died, was a rather remarkable character. At a time when most men are setting their houses in order for the end he took up an entirely new line of work and achieved fame. When sixty-five years of age De Morgan had a severe illness, and while convalescing started to write a book for his own amusement. It grew into one of the longest novels of the age, but in spite of its length and the fact that the author was unknown "Joseph Vance" became one of the best sellers. Then came "Somehow Good," "Alice for Short," and "When Ghost Meets Ghost" and "It Can Never Happen Again." De Morgan had been engaged in a half dozen occupations, but failed to achieve success in any of them until he became an author. He was born in London, the son of a Scotch professor, was educated at University College, London, and then studied art at the Royal Academy. In turn he was a painter, an inventor, a potter, and lastly an author. De Morgan was seventy-eight years of age.

Mr. Anson McKim, who was killed a day or two ago at Coteau Junction, was head of the largest advertising agency business in Canada and one of Montreal's best known and most highly respected business men. Mr. McKim was born near Napanee some sixty-three years ago of United Empire Loyalist stock. After a short experience in Toronto on the reportorial staff of the Toronto Mail he was sent to Montreal as that paper's representative and a little later started in business for himself as an advertising agent. Later his company was incorporated, the business attaining such large proportions that he was unable to handle it alone. Unfailing tact, courtesy and hard work enabled him to build up the biggest business of its kind in Canada. A few days before he met his death he retired as vice-president of the Montreal Board of Trade, in which organization he had taken a very active part for a number of years.

Thomas Ahern, who has been made a director of the Merchants' Bank of Canada, is president of the Ottawa Electric Railway Company, the Ottawa Power Company, a director of the Bell Telephone Company and the Canadian Westinghouse Company, and one of the big business men of the Capital city. Ahern has been described as the "Canadian Edison." He is a native of Ottawa, and as a young lad learned telegraphy. From that he became local manager of the Bell Telephone Company and later, in partnership with W. Y. Soper, branched out as electrical engineers and contractors, in which fields they have met with a very large measure of success.

Charles E. Tanner, who has been leading a forlorn hope in Nova Scotia, will find the political going easier in the Senate at Ottawa. Mr. Tanner was born at Pictou in 1857 and studied law. He was first elected to the Nova Scotia Legislature some twenty odd years ago, and was defeated on one occasion and on another ran for the Federal House. For the last half dozen years he has been leader of the Conservative Party in the Nova Scotia Legislature. Mr. Tanner formerly took a very keen interest in military matters.

John Gowans Kent, the new president of the Toronto Board of Trade, is one of that city's big business men, being prominently identified with the crockery and glassware business. Mr. Kent is also a director of the Crown Life Assurance Company, the Canada Bond Company and the City Dairy Company, but is perhaps best known for his work in connection with the Canadian National Exhibition and the services he has been able to render the Board of Trade. The honor which has come to him is well deserved.

Lt.-Col. J. G. Ross and Lt.-Col. Maurice Alexander. — Two Montrealers were included in the belated New Year honor list, which has just been issued. Lt.-Col. J. G. Ross and Lt.-Col. Maurice Alexander have each been given the C. M. G. Lt.-Col. Ross is senior member of the firm of P. S. Ross and Sons, accountants, was born in Montreal and educated in this city and at the Guelph Agricultural College. He has been a military man all his life, receiving the Long Service Medal several years ago, and as a young man, was famous as an athlete. Before going overseas to take over his duties as chief paymaster he was in command of the 5th Royal Highlanders of Montreal.

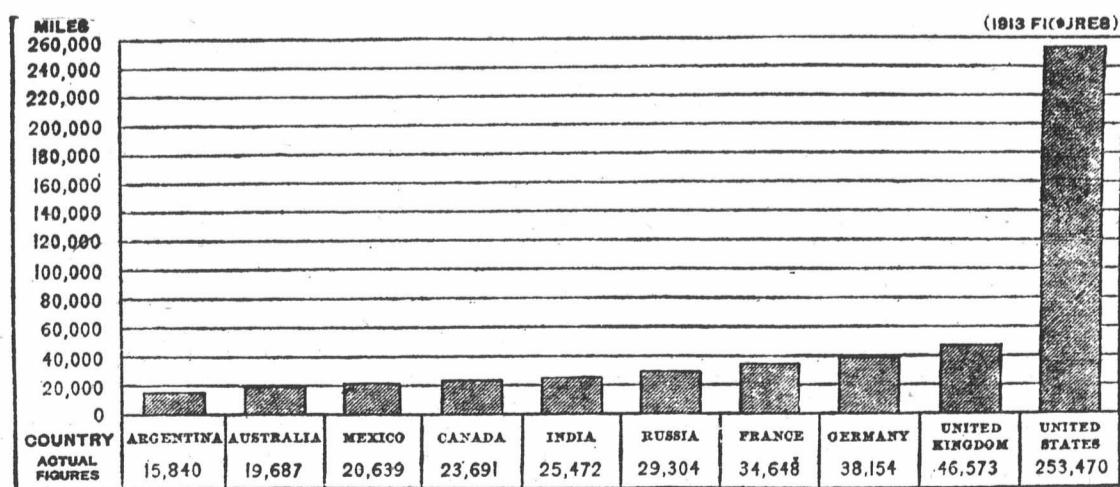
Lt.-Col. Maurice Alexander is a Montreal lawyer, being the second member of the firm to go overseas as a lieutenant-colonel, the senior partner, Lt.-Col. Peers Davidson having gone over as commanding officer of a Montreal Highland Battalion. Col. Alexander is a native of South Africa, but studied law at McGill, and practised his profession in Montreal. He went overseas early in 1915.

Lt.-Col. W. C. Macdonald, of the Confederation Life, who was killed in Toronto in a railway accident, was one of the best known insurance and military men in Ontario. He has been connected with the Confederation Life for the past thirty-six years; he and his father, who was president of the Company, being two of the oldest employees of the Company. Col. Macdonald was also president of the Toronto Insurance Institute. He was equally well known as a military man, having served through the Northwest Rebellion and later as commander of the 48th Highlanders. Col. Macdonald lost a son in the early part of the war and was killed himself while saying farewell to a battalion leaving for service overseas.

Col. Frederic Nicholls. — Another newspaper editor has found his way to the Red Chamber at Ottawa. Col. Frederic Nicholls, who has just been called to the Senate, was formerly a newspaper man. Early in life he saw the possibilities of electrical development, and dropped the pen for a business career, forming, and becoming manager of the Canadian General Electric Company. Col. Nicholls is a live wire, is a director of a score of big corporations including the Bank of Commerce, Confederation Life, Dominion Steel Corporation, Toronto Railway Company, and other big institutions; is an ex-secretary of the Canadian Manufacturers Association, and generally takes a very keen interest in the industrial and economic development of the country. Col. Nicholls was born in England in 1856, but came to Canada as a boy of eighteen.

Lloyd George has smashed more precedents than any other man in the United Kingdom and, from all appearances, is going to continue to smash them. In the early days of the war when there was a call for recruits, Lloyd George dismissed his able bodied chauffeur and appointed a woman to drive his car. Now he has broken every tradition connected with the office of premier and appointed a Miss Stevenson as his private secretary. Miss Stevenson, who is a good example of the Entente Cordiale, is a daughter of a Scotch father and a French mother. She is a university graduate and has been with Lloyd George for several years, serving under him when he was preparing his National Insurance Act. She followed him when he became Chancellor of the Exchequer, then when he became Minister of Munitions, from there to the War Office, and now to the premiership. As a rule, the private secretary of the Prime Minister is given a peerage, or at least a baronetcy, and some of the most famous men in British history have started their careers as private secretary to the Prime Minister. It is not known what Lloyd George will do for his private secretary, but undoubtedly he will treat her right, as she and her family have done and are doing their bit. Her only brother was killed at the Battle of Givenchy.

Railroad mileage of the principal countries. (First National Bank of Boston).



Public Opinion

1864 AND 1917.

(Philadelphia Inquirer.)

A correspondent asks if we can give a comparison between the war conditions in this country in January, 1864, and in Europe at the present.

In 1864 the armies of the Union and the Confederacy faced each other on tolerably near the same terms as a year before, in spite of the fact that Vicksburg and Gettysburg had intervened. The Confederacy had lost heavily at Chattanooga, but considered it no more than an offset for Chickamauga. The important point to be made is that the hardest fighting of the war took place between May 1, 1864, and the surrender at Appomattox in the following April.

During the nearly twelve months Grant made his terribly costly, but final campaign, Sherman took Atlanta and marched to the sea, while Hood was smashed at Franklin and Nashville. During this period the armies were at their best, composed of veterans and more skillfully handled than ever on both sides. But when Sherman finally occupied Atlanta, manoeuvred Hood to northwest, where Thomas took care of him, and went to the sea, he found the Confederacy a "hollow shell." All its resources had been expended in maintaining its power at the battle line.

Evidently our correspondent is of the opinion that the same conditions exist in Germany, that its resources have been expended in maintaining a long line of battle, and that if a break is once made there will be a speedy collapse. We do not know, but there are some signs to indicate that this is the case. Certainly German men, money and resources of every kind have been expended in the last two and a half years to a much greater extent than it has been possible to repair them. Evidently that is the belief of the Allies.

Who would have thought in the spring of 1812 that soon Napoleon would be a prisoner at Elba? It is impossible to know the real conditions in the Central Empires, but it is likely that the coming campaign will disclose them. In war the most surprising changes often take place very quickly. We make no prediction, but it is not unlikely that this war will have the same characteristics as those which have preceded it.

THE KAISER BUSINESS.

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

It is Hohenzollernism and all that it represents that is the ultimate enemy. If we cannot destroy that, the war will be in vain, no matter what its apparent results may be. It is the Kaiser and his creatures in Greece, in Sofia, everywhere, that we are fighting, and not this people or that. It is this fact which gives up hope. Europe can break a system that is poisoning its life if it has the will, but it cannot wipe out a nation. Let us clearly understand that it is the system, and not humanity, that is wrong, and that unless we smash the system we can never hope to deliver humanity from the hideous web that has brought it to ruin. The nations have to face this issue for themselves.

CANADA'S LAST FRONTIER.

(Outlook, New York.)

Among the wonders of "Canada's Last Frontier," as described in the "Wide World Magazine," is a huge gas "gusher" at Pelican Portage, on the House river. Set on fire 18 years ago, it has burned steadily ever since, shooting a flame 80 feet high in the air. It is calculated that during this time it has burned 26 billion feet of natural gas, or about four million feet a day. And in our middle states factories are shutting down for lack of gas.

THE FIRST GUN.

(Yonkers Daily News.)

The first gun in the industrial war which will be declared upon the United States when the war in Europe is over was fired the other day when a firm in England underbid all the firms in the United States for supplying the 16-inch shells for the United States Government.

DEMOCRACY AND ONE-MAN POWER.

(Minneapolis Tribune.)

The wisdom or folly of the president's peace note as a question aside, the people of this country well may ponder the significance of a power that directs, unrestrained, where "pitiless publicity" shall prevail and where it shall end. They do not know what moved the president to send forth his note. Whatever meaning they may read into Secretary Lansing's "verge of war" utterance that followed is speculative. They are not less in the dark than is congress. Had such an incident come about in Great Britain, parliament would have had the facts long before this, and the whole story would have appeared sooner or later in a white book, a blue book, or some other kind of official document.

More or less, we are at the mercy of a single temperament, of an individual mode of thought, of a judgment that may be excellent or the reverse.

THE MAJESTIC GROWTH OF BRITISH POWER.

(New York Times.)

France saved Europe at the Marne; Russia saved Europe by dividing the German armies and giving France breathing space and England time to arm; but England, too, saved Europe, for without her on the sea the war would long have been over. The part she played is not single, as it was when she faced Napoleon alone; she divides the honor with others, but her share was not the least, it grows greater all the time. The spectacle of that growth under blows is majestic. To the querulous ones who have said so much about the weakness of democracies in stress, there are two impressive answers; the sight of England confronting Napoleon, the sight of England confronting William II.

SEA POWER AND HISTORY.

(Chicago Tribune.)

If Great Britain had not entered the war the economic pressure would be exerted by Germany upon France and Russia. The German fleet would rule the sea. France would be without coal, munitions, and sufficient food. It is hardly conceivable that, without the British navy, the coalition against the central powers could have maintained itself for two years.

The British navy has already extorted peace proposals from Germany. It has reduced the people of Germany to a diet which does not sustain the strength and morale of the people. It is the most powerful force which Germany is encountering. It is the one element in the war which Germany cannot handle. Raids against this power are spectacular and frequently successful, but the power remains with its strangling grip.

WHAT WE HAVEN'T GIVEN.

(Philadelphia Public Ledger.)

The London Times Red Cross fund, which has been helped by other newspapers, has now gone past the \$30,000,000 mark. In the last two years the whole United States has given the American Red Cross \$1,000,000 a year. The showing is utterly contemptible. We have about a quarter of a million members, and Japan has nearly 2,000,000.

WHY VERDUN STOOD.

(New York Sun.)

Salutations of respect and admiration to General Gerard Amanrich, Commander of the Legion of Honor, who has transferred himself from the retired list at the age of sixty-five to an artillery regiment as a private. It is easy to understand why the French at Verdun would not let them pass.

THE CHAMPION.

(Toronto Mail and Empire.)

The champion American neutral, according to Mrs. Gertrude Atherton, is the editor of a small paper in Kansas, who at the beginning of the war announced that the absurd fracas would never be mentioned in his paper. He has kept his word.

QUESTIONS INFERRED, IF NOT EXPRESSED.

(New York Herald.)

Between the lines of Mr. Balfour's calm and clarifying presentation of the issue there seem to run the questions:—"Who will underwrite a Prussian promise? Who will stand as guarantor of Prussian good faith?" They might be addressed to President Wilson.

Certainly the President would not undertake on behalf of the government of the United States to guarantee that any treaty Germany might make would be fulfilled. What, then, but harm can come from premature peace proposals when the Allied nations are sincerely determined upon a peace that shall be permanent?

Mr. Balfour's note should serve to sweep away the mists raised in neutral countries by the Prussian efforts to befog and becloud the supreme issue. In the end it should prove, also, a powerful factor in promoting the right kind of peace.

For if the German people are permitted to read for themselves the Entente's reply to President Wilson and this supplementary note of Mr. Balfour they will see that the way is clear for the peace they so greatly desire. They will realize that peace and their own salvation are dependent only upon their repudiation and overthrow of the Prussianism that is rushing them to destruction.

THE EVIDENCE.

(New York Evening Sun.)

The Entente Allies started the war, Germany says.

Their plan was, we presume for Serbia to conquer Austria-Hungary while Belgium devastated Germany.

England, especially, showed her hand when she hurled an enormous army of 100,000 men against only two or three millions of Germans . . . and these Germans, taken completely by surprise, staggered forward into France. They got nearly as far as Paris, we believe, before they recovered from their astonishment.

Yes, Germany was taken by surprise, as every German knows.

GERMAN PREPARATION FOR PEACE.

(From Chicago Commerce.)

Frederic William Wile, of Chicago, former Berlin correspondent of the New York Times and the Chicago Tribune, lecturing in London the other day on the subject of "Germany's Mobilization for Peace," said that the world at large probably fails to understand that in the course of the last six months the Germans have established practically a separate government to prepare for the coming business campaign. It is called the "imperial board for transition economics," and consists of a cabinet of the greatest business experts in the country, who are devoting all their time to mapping out ways and means for transferring German trade from a war to a peace basis with the least possible delay.

JOFFRE.

(Hartford Times.)

So Joffre is a marshal of France. He can never be as dashing as Ney, staggering out of Konigsberg, covered with blood and snow, to proclaim himself the rear guard of the army of France, or as romantically handsome as Murat, but he has shown himself of better stuff than Bazaine or even the high-minded MacMahon. And he possesses at least one claim to picturesqueness. Did he not fight the battle of the Marne in his underclothes?

"O LITTLE TOWN OF BETHLEHEM!"

(Philadelphia Ledger.)

It is one of the ironies of history that the American city which bears the name of the birthplace of the "Prince of Peace" should have become the home of the nation's greatest armament factory!

WOOLLY, BUT NO LONGER WILD.

(Springfield Union.)

The late Buffalo Bill lived to see many wonderful changes in times and conditions, not the least of which was the transformation of the once wild and woolly West into the very citadel of timidity and pacifism.

Comments on Current Commerce

By E. S. BATES

The Price of Newsprint.—While Sir Thomas White is to be commended for his foresight in taking up the cudgels on behalf of the publishers of this country in the matter of fixing the price of newsprint paper in Canada the wisdom of his action is questionable. Unquestionably there are many other commodities the advanced cost of which is causing a great deal more hardship than in the case of paper. But the consumers do not exercise so much power politically as do the publishers. It is stated that Sir Thomas has delivered an ultimatum to the paper manufacturers to the effect that unless they come to terms with the publishers legislation will be passed fixing the price of newsprint in Canada at ten per cent above pre-war prices, and prohibiting the export of more than eighty per cent of the output of each mill. Naturally the paper industry has taken strong exception to any such interference. The industry has struggled along for years in an endeavor to develop Canada's great forest resources. The struggle has been made increasingly difficult by adverse legislation passed presumably to protect these resources. The war has set up an economic condition on this continent whereby the industry has at last been placed in a position to clear off back obligations, and provide finances for efficient development. United States is becoming more and more dependent on the Canadian production of newsprint, and the shortage in that country has brought about an abnormal demand for the Canadian product, and prices have advanced materially. That is the situation in a nutshell, but Sir Thomas now proposes to upset the market. He proposes to hinder development by disgusting manufacturers. He proposes to give American legislators a lever which they may use to advantage in setting the price of newsprint in the United States. But he does not touch a hundred and one other articles on which there is more need of price control, but less publicity.

Insurance in War Time.—The very large subscriptions made by British insurance companies to the "Win-the-War" Loan has called attention once more to the effect of war upon insurance. Undoubtedly, as one writer says, the past two and a half years has been a testing time for all insurance companies. According to the president of the Institute of Actuaries, war claims aggregating \$37,

000,000 were paid by British life insurance companies from the beginning of the war up to last November. He says, "It has been a splendid tribute to life insurance companies throughout the Empire that there have been virtually no signs of distress during the war." Canadian companies, in addition to paying heavy war claims have invested millions in Canadian and British war loans. British companies have been among the foremost subscribers in the United Kingdom, and in addition have sold or lent to the Treasury securities with a face value of nearly 300 million dollars. The part played by these companies in the financing of the war will undoubtedly fill a large place in the history of financing the present world struggle when all is written.

Profits in Steel Making.—While the general public are continually reminded of the huge orders being placed in Canada for shells and munitions, little is heard regarding the many difficult problems that have arisen during recent months affecting the successful operation of our steel plants. One hears of railroad congestion, difficulty in securing supplies of alloys, supplies of coke, labor costs, low stocks of coal, etc. On investigation it is found that these matters are of serious consideration at the present time, and that they are seriously interfering with the operation of many Canadian plants. During the past few weeks many Eastern industries have been badly off for coal supplies, while in the steel business supplies of coke have fallen to such an extent that banking of furnace fires has been frequent during this period. It is estimated that the car supply has been scarcely 65 per cent of requirements, and this has interfered with both the securing of materials and the shipments of finished products. Alloys that enter into the manufacture of steel have also risen abnormally during recent months. In fact, prices are now away above most expectations of a few months ago, and many lines are practically impossible to obtain. Ferromanganese, speigeleisen, silica and magnesite brick are advancing rapidly, while the last two materials are practically unobtainable. These considerations are becoming more and more serious to the steel manufacturer. At the same time the munition board has eliminated all chances of securing unwarranted profits.

Exclusion of Enemy Goods.—The New Zealand government has decided, according to cable reports, to place a duty of fifty per cent on imports of goods of enemy origin. This action follows the declarations made by the Premier of that Dominion on various occasions, and carries out the avowed intention of the Australasian peoples to exclude German and Austrian influences to every possible extent. We have not taken any such action. Obviously, the government has followed a definite line of action, leaving to the Canadian people the privilege to discriminate between enemy and allied goods to their own benefit. This plan appears most suitable for such a country as Canada. Life here is more varied than in Australia or New Zealand. Our agricultural and industrial development is along totally different lines, and the exclusion of German and Austrian machinery and industrial and scientific methods would be suicidal. We are not fighting for the complete overthrow of German industrialism and scientific development. On the other hand, we are prone to copy much of the system and method practiced by the Germans before the war. Much of their machinery and scientific appliances is necessary to the efficient development of Canada, and it would be folly indeed if we should endeavor to deprive ourselves of these opportunities.

What Statistics Say.—According to government estimates our field crops of 1916 were worth over 800 million dollars; over 800 million dollars worth of war contracts have been placed with Canadian concerns since the outbreak of war; our foreign trade has established new records, and the cost of living is higher than ever before in the history of the country. The Minister of Finance has announced that during the present year munition orders to the value of 500 million dollars will be placed in Canada, while during the past year the value of our output has been nearly one million dollars a day. Up to date the Dominion government and the Canadian chartered banks have granted the Imperial authorities credit to the amount of approximately 250 million dollars, and in addition we have raised two internal war loans aggregating upward of 250 million dollars. Figuratively speaking Canada appears to be in good condition.



NORTH AMERICAN LIFE ASSURANCE CO.

HEAD OFFICE TORONTO CANADA

ANNOUNCES to its Policyholders and the Public that 1916 was another highly successful year as evidenced by the following outstanding figures:

Policies Issued and Revived	\$10,189,539.00
Total Assurance in Force	59,685,112.00
Cash Income	2,912,514.00
Assets	16,442,713.47
Net Surplus	2,657,105.64
Profits Paid Policyholders	262,684.26
Total Payments to Policyholders	1,591,000.33

IN every important feature of the business marked increases were made.

Over One and a Half Million Dollars was paid to Policyholders or their beneficiaries during the past year.

PAYMENTS to policyholders over the past ten years amount to \$10,481,146.00. Ask for a copy of the Annual Report.

W. KERR GEORGE,
Lt.-Col. D. McCRAE,
Vice-Presidents.

"Solid as the Continent"

L. GOLDMAN,
President.

Eastern Townships Bank Bldg.

T. E. ROURKE, District Manager.

Montreal, Que.

BANK OF MONTREAL

Established 1817

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

BOARD OF DIRECTORS:

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, Esq.

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

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

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

A GENERAL BANKING BUSINESS TRANSACTED

BANK BRANCHES OPENED 1916.

The following are the Branch banks opened during the month of December.

Branches Opened—(Thirteen).

- Bathurst, N. B., Banque Provinciale du Canada.
- *Batrum, Sask., Home Bank of Canada.
- *Buckland, Que., La Banque Nationale.
- Dulyea, Sask., Royal Bank of Canada.
- Cabri, Sask., Home Bank of Canada.
- *Hamilton, Ont., John St., Royal Bank of Canada.
- Masson, Que., Banque Provinciale du Canada.
- Montreal, Que., Bonaventure, Royal Bank of Canada.
- Montreal, Que., Sherbrooke & Draper Sts., Royal Bank of Canada.
- Norton, N. B., Banque Provinciale du Canada.
- Osage, Sask., Weyburn Security Bank.
- Regina, Sask. (January), Bank of Hamilton.
- Tilbury, Ont., Banque Provinciale du Canada.

Branches Closed—(Three).

- Battleford, Sask., Merchants Bank of Canada.
- Montreal, Que., Bonaventure, Home Bank of Canada.
- Tecumseh, Ont., Banque Provinciale du Canada.

(*)—Sub-branches.

Branches of Canadian Chartered Banks.

	December 31st, 1916	
In Canada	.....	3,198
Ontario	.....	1,154
Quebec	.....	784
Nova Scotia	.....	111
New Brunswick	.....	82
Prince Edward Island	.....	17
Manitoba	.....	200
Alberta	.....	247
Saskatchewan	.....	413
British Columbia	.....	187
Yukon	.....	3
In Newfoundland	.....	27
Elsewhere	.....	82
Total	.....	3,307

BANK OF ENGLAND STATEMENT.

The report of the Bank of England for the week shows an increase in gold coin and bullion holdings of £597,752. The proportion of reserve to liabilities is now 19.10 per cent, as against 18.90 last week.

The weekly statement shows the following changes: Total reserve increased £47,000; other securities increased £454,000; other deposits increased £1,532,000; public deposits decreased £604,000; notes reserve increased £549,000; Government securities decreased £4,000. The rate of discount is 5½ per cent.

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

	1917.	1916.	1915.
Gold	£56,713,040	£52,224,567	£69,166,117
Reserve	36,288,000	36,844,742	52,911,577
Notes reserve	34,895,000	36,397,910	52,098,065
Reserve to liab.	19½%	22½%	32½%
Circulation	38,793,000	33,829,825	34,704,540
Public deposits	50,720,000	62,875,042	47,390,479
Other deposits	139,231,000	100,961,107	117,593,838
Govt. securities	133,862,000	32,838,661	21,324,358
Other securities	39,836,000	112,204,700	108,836,370

J. S. Irvin, President of the International Portland Cement Company of Spokane, Washington, who has been confined to a hospital for some time as the result of a serious operation is now on the road to complete recovery.

DECEMBER BANK STATEMENT.

The people of Canada are saving money and depositing it in our banks. During the month of December savings increased by nearly nine and a half millions and have now brought the total savings to a new high level at \$845,000,000. The December gain while a healthy growth was still some 2½ millions less than November showed. The gain in savings during 1916 was \$122,000,000. Current balances in the banks showed a loss of a million in December, against a gain of sixteen millions in December, 1915. The holdings of the banks in current coin were reduced by \$11,391,000, but there was an increase of \$6,908,000 in the Government notes and a small gain of \$400,000 in the deposits in the Central Gold Reserve.

The item of current loans made a less sensational change than in November, when they were up by \$22,000,000. The November increase was \$6,587,610. A reflection of the December slump in the security markets in Toronto and in Montreal is to be found in the reduction of \$7,825,000 in the call loan item. Loans were called even more vigorously abroad, being down \$9,372,000 for the month. Call loans outside were at the year-end \$36,720,265 in excess of a year ago. Current loans in foreign centres were \$17,917,000 larger, and deposits abroad \$28,210,000 larger at the year-end than at the close of 1915.

The following statement shows the principal items for the month of December, the changes which occurred during that month, the changes which occurred during the year ending December, and, for the purpose of comparisons, the changes which occurred during December, 1915:

	Dec., 1916.	Changes during December, 1916.	Changes during year ending Dec., 1916.	Changes during December, 1915.
Reserve fund	\$ 113,283,343	-\$ 9,675	+\$ 1,126,010	-\$ 561,140
Note circulation	148,785,287	+ 587,316	+ 26,685,705	- 1,954,103
Demand deposits	458,208,417	- 1,069,037	+ 34,618,143	+ 16,955,213
Notice deposits	845,006,717	+ 9,407,448	+ 122,010,550	+ 6,770,981
Total deposits in Canada	1,303,215,134	+ 8,338,411	+ 156,628,693	+ 23,726,194
Deposits outside Canada	162,860,612	+ 653,365	+ 23,210,429	+ 2,621,075
Current coin	71,172,169	- 11,391,699	+ 3,172,559	- 3,360,045
Dominion notes	124,750,241	+ 6,908,319	- 20,796,629	+ 4,795,537
Deposits gold reserve	43,700,000	+ 460,000	+ 26,340,000	+ 2,260,000
Call loans in Canada	82,569,983	- 7,825,357	- 2,658,172	+ 1,024,368
Call loans outside	173,878,134	- 9,372,255	+ 36,720,265	+ 1,627,307
Current loans in Canada	820,378,557	+ 6,587,610	+ 44,860,610	- 1,644,616
Current loans outside	76,396,720	+ 309,350	+ 17,917,091	+ 5,238,784
Total liabilities	1,706,948,568	- 10,266,452	+ 307,664,978	+ 36,082,768
Total assets	1,948,044,258	- 9,467,344	+ 211,052,014	+ 35,787,847

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

An Estate Free of Debt

Many investors purchase real estate by means of instalments, payable monthly or yearly; thus making absolute ownership possible in time.

In the event of death before the payments are completed, however, the estate is bequeathed encumbered with debt, and the heirs may not be able to continue the payments.

And it might easily result that the whole of the investment would be lost to the beneficiaries.

Life insurance also constitutes an estate payable by instalments, but death ends the obligation to make payments, and the estate is handed down intact.

Every man who has dependent relatives or friends should have a substantial portion of his investments in the form of life insurance, since the payment of the first premium creates for them an estate free of debt.

THE MUTUAL LIFE ASSURANCE

Company of Canada

WATERLOO

ONTARIO

LUMBER, PULP AND PAPER

FOREST PROTECTION.

A meeting somewhat unique, will open in Montreal on the 1st and 2nd of February, when a score of experts in forest fire protection will gather in conference to discuss Canadian forest guarding problems. Officials from Oregon, Minnesota, Michigan, and other States will join with the fire inspectors and managers of the Quebec mutual protective associations and there will also be present Federal and Provincial officials, lumbermen, pulp and paper men, and all of the general public who care to be present.

Forest protection has been developed in recent years to a point where the old haphazard methods have given place to a most accurate science. The use of telephone, lookout towers, pumping outfits, aeroplanes, motor cars, and other mechanical aids in fire detection and fire fighting will form features of the discussion.

ALL THE ILLS THAT TREES ARE HEIR TO.

(Our Field and Forest Trees, by Maud Going, Chicago, McClurg).

It is only within recent years that we have come to exercise even common sense in the handling of our timber resources. The start having been once made, however, we have followed a definite and wise pathway. In this book the author preaches the old lesson anent an ounce of prevention and a pound of cure where forest fires and tree diseases alike are concerned. The various ills that trees are heir to are carefully and systematically examined, and the best methods of fighting them instanced. Obviously we have much to learn but it is encouraging that so many able writers are devoting their time and talents to helping on the good work of conserving our forests. This book is one which will be useful, not only to the professional forester, but to the man with a few acres of bush lot. Many excellent preventive and preservative methods are described and well illustrated.

CANADA THE WORLD'S PAPER CENTRE.

That Canada is rapidly becoming the world's centre for the manufacture of pulp and paper is indicated by figures published by the Department of Trade and Commerce. For the year ended July, 1916, the exports of paper amounted to \$21,673,868, of which 88 per cent went to the United States and 5.2 per cent to the United Kingdom. This total is an increase of 31 per cent over the figures for the year previous.

Taking the situation as a whole the total exports of paper, pulp and pulpwood for the fiscal year ended July, 1916, were \$40,865,266, of which the United States received 87 per cent and the United Kingdom 5 per cent. The increase over the previous year was 27 per cent. On the other hand, Canada imported during the year ended July, 1916, \$6,327,298 worth of paper and manufactures of paper.

The foregoing facts, in conjunction with the use by Canadian pulp and paper mills of nearly \$9,500,000 worth of pulpwood, indicates the tremendous drain upon our pulpwood resources, according to a statement issued by the Conservation Commission. This drain is likely to increase rather than diminish in view of the rapid depletion of accessible supplies of timber suitable for pulpwood in the United States. If this great source of national wealth is to be perpetuated, much more stringent measures than in the past must be taken to prevent destruction by fire and to ensure the restocking of valuable species of cut over the burned-over areas.

ABITIBI'S ANNUAL MEETING.

Along with the first dividend cheque to preferred shareholders of the Abitibi Power and Paper Company the announcement is made that the annual meeting of the company will be held on February 12th. Cumulative unpaid dividends of Abitibi date back to Jan. 1st, 1914. Hence there is due to shareholders 12 1/4 per cent.

WAYAGAMACK'S MEETING.

The fourth annual general meeting of the shareholders of the Wayagamack Pulp and Paper Company, Limited, will be held on Tuesday, February 13, at Three Rivers, at 1 o'clock in the afternoon.

REFORESTATION.

(Chicago Tribune).

Planting trees except for ornament is not yet considered profitable in this country. Cutting them down seemed the thing. It made possible the growing of grain and vegetables and the lumber was valuable for building. Therefore we cut them down.

But if destroying forests has been profitable to the individual, it is proving expensive for the state. Trees hold water in the ground. They prevent drainage. A forest was a sponge. Cutover land is an inverted plate. All the water runs off.

The United States is beginning to pay the bills of indiscriminate deforestation. More water runs into the rivers after every rain and floods are worse. Forests tended to keep the flow of water steady. Drained fields aggravate every flood and every drought.

It would be profitable to the country to build up its forests again because they would help solve the problem of flood control, which we shall soon have to undertake. But probably reforestation will make little progress until it becomes also profitable to the individual.

AMERICANS BUYING CANADIAN MILLS.

Washington despatch to the New York World says:

According to advices received at the Department of Commerce, American interests are going to Canada to obtain control of paper mills and pulp lands. One purchase involving \$3,000,000 has just been announced. The Partington Pulp and Paper Company of St. John, N.B., has sold its mill and timber lands to interests in the United States. The report states that the purchase includes 372,000 acres of spruce and fir wood and 1,000,000 feet of hardwood.

The entire tract of timber land comprises nearly 30,000,000 cords of wood. The purchasers are said to be incorporating a new company which proposes to increase the output of the Partington Sulphite Mill from sixty to eighty tons of bleached sulphite pulp daily.

QUEBEC FOREST REVENUE.

(Canadian Forestry Journal).

According to the report of the Quebec lands and forests department just issued, the total revenue for the year was \$1,807,259. Receipts from sales and areas amount to the sum of \$75,703.59, while the sale of crown lands, hydraulic powers, etc., produced the sum of \$28,353.81, with expenses for the service amounting to \$2,219.50. Revenue from woods and forests amounted to \$1,683,682.23, as follows: Ground rent, \$252,380.26; stumpage dues, \$1,221,683.82; penalties and fines, \$24,255.17; accrued interest, \$33,826.85; transfers, \$10,720; premiums, \$40,816.13. An area of 339,725 acres was sub-divided during the year, and 103,658 acres reverted to the crown. There is at the disposal of the government at present 7,465,637 acres.

CANADIAN PACIFIC'S WOOD REQUIREMENTS.

The enormous quantity of wood products used by the Canadian Pacific Railway is indicated in the following statement by Mr. George Bury, Vice-President.

Track Ties	5,000,000
Switch Sets, sets	5,000
Fence Posts	200,000
Telegraph Poles	50,000
Piles	20,000
Shims	5,000,000
Tie Plugs	25,000,000
Lumber, feet	60,000,000

U. S. PAPER EXPORTS.

Exports of paper and paper manufactures from the United States will this year reach \$40,000,000, doubling those of any previous year, according to figures assembled by the Bureau of Foreign and Domestic Commerce at Washington. News print paper exports this year have reached a total value of \$3,430,000, against \$2,260,000 last year, about half of it going to Latin America.

FORESTRY FACTS.

A road bridge over 100 feet long, and with a central span of over 60 feet, has been built entirely of bamboo by Dutch government engineers in Java.

In France nearly 500 acres of land is devoted to raising young trees of peculiar shape for umbrella handles.

Tree planting on a large scale is going on in Ireland to replace the timber cut down for war work. In Cavan County alone 70,000 trees have been planted.

A machine has been invented that plants from 10,000 to 15,000 forest tree seedlings in a day when operated by three men and two horses.

Certain amendments to the regulations governing the cutting of timber and pulpwood on Dominion lands have been made. The order-in-council provides that all such wood cut on Dominion lands under permit must be manufactured in Canada.

Last year the consumption of newsprint paper in the United States showed an increase of 16 per cent. over the figures for 1915.

The British government has placed order with Portland, Ore., firm for 12,000,000 feet of spruce lumber for knock-down houses and aeroplane stock, for delivery within a year.

The Canadian consumption of newsprint amounts to about 350 tons out of a total daily production of about 1,900 tons, the balance going abroad.

All Dominion timber sales in future on Indian lands will contain a provision requiring the removal of all slash and waste. For this an allowance of 60 cents per thousand will be made.

The Eastern (Paper) Manufacturing Company of Bangor, Maine, have presented their employes receiving less than \$3,000 a year a bonus equal to 10 per cent of their salaries.

WEALTH IN RUBBISH.

An illustration of the extent to which the "Campaign for Thrift" is being conducted in Germany is contained in the following extract of an article appearing in the Kolnischen Zeitung, translated for the News-Print Manufacturers' Association:

"The collection since the war began of kitchen refuse in the large cities is an important step in advance of social economy. If, however, we inspect the contents of the rubbish receptacles, we must say that there is still serious wastefulness. The public does not realize the great value that attaches to waste paper, and how many thousands and thousands of marks are lost at the rubbish dumps. What is known as "old paper" is sorted out, and the commonest stuff can be used in making wrapping paper. The wrapping paper mills hardly know how to get raw material, and prices have almost doubled. We often do the small tradesman an injustice when we denounce him as an extortioner without stopping to consider that for paper bags, string and other petty supplies, he must pay four times as much as formerly."

WHITE PAPER COSTS MORE.

Some of the big New York magazines have been forced to advance prices 25 per cent to 50 per cent because of the high cost of paper. Of 20 smaller magazines in New York several have suspended publication and others will merge with larger magazines. Nearly 100 daily newspapers in United States have had to raise prices.

BROMPTON PAPER.

The Brompton Pulp and Paper Company has been placed on a four per cent dividend basis and a bonus of 1/2 of one per cent. The Company is earning in the neighborhood of 25 per cent on its common stock so it has no trouble in paying a dividend and a bonus as well.

The Canadian Bank of Commerce

ESTABLISHED 1867

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

BOARD OF DIRECTORS

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

BRANCHES IN CANADA

43 in British Columbia and Yukon. 29 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.

HIGH COST OF LIVING.

Views of the Retail Merchants.

To the Editor of The Journal of Commerce:

In order that a wrong impression may not be left on the public mind through recent newspaper discussion regarding the attitude that the members of "The Retail Merchants' Association of Canada" take, respecting the investigation into the increased cost of living, I desire to say that our association, which is comprised of leading retail merchants throughout Canada, was the only organization that appeared before the special committee appointed by the government and asked for a thorough and intelligent investigation into the whole subject.

What we feared, and what is proving to be true, is that the machinery which was provided by the government is cumbersome and not effectual.

Insinuations have been made by those unfamiliar with commercial problems that the retailer is the cause of the increased cost of living, and naturally we stand ready to defend ourselves against any such unfair statements. The retail merchant today is making less upon his turnover than he has for many years. He is not complaining, as he knows that we are living under extraordinary circumstances, and they are trying to do their share both in the giving of their money in extending credit to those who are worthy, and to some, unfortunately, who are unworthy, as well as sending their sons to the battlefield.

We claim that the cause of the increased cost can only be ascertained by those who are skilled in, and who are familiar with the subject of retail and wholesale distribution. Labouring men and solicitors who are not practically familiar with the problem can never solve it, and for this reason we ask the government to select a commission of men who are practically familiar with production and manufacture, and with retail and wholesale distribution, and place the whole subject in their hands so that a complete, intelligent and thorough investigation can be made.

In England recently the government selected Lord Devenport as chief of the food department. They selected him because of his great knowledge of the subject. He was originally a retail grocer,

and from that he went into the wholesale produce business in an extended form, and the people have confidence in him because they know that he understands the subject.

We have no quarrel with labor unions, or the Labor Department, but supposing the Department of Trade and Commerce was appointed to investigate some labor dispute, organized labor and theoretical socialists within the labor party would pass resolutions of condemnation from one end of Canada to the other. We are only asking what is fair, and what the labor unions and the socialists within their ranks would ask if they were in our place. All we want is a thorough, capable investigation by capable judges who understand the question, and we are willing to abide by their decision, and we think that the Department of Trade and Commerce is the proper department to take up the subject, especially as we believe that the Department of Trade and Commerce should be extended in a manner that will give the commercial classes of Canada the same care, thought, and attention as the Department of Labor is giving the laboring classes. — E. M. Trowern, Secretary Dominion Board, The Retail Merchants' Association of Canada.

A UNCLAIMED MILLION.

The annual Blue Book giving the list of unclaimed bank balances tabled in the Commons by the Minister of Finance, shows an aggregate of \$960,535 in unclaimed balances and \$171,234 in unpaid certified checks or drafts which have been in the hands of the Canadian banks for five years or over without anyone claiming ownership. The amounts of unclaimed deposits vary from the few cents to upwards of \$4,000. Since the last report the total of unclaimed balances has increased by \$55,000. The Bank of Montreal has the largest total amount of money in its coffers which nobody seems to want. Its total is \$111,279.

BANK OF B. N. A. OPEN BRANCH.

The Bank of British North America has opened a branch at Kamsack, Saskatchewan, under the management of Mr. W. M. Walker.

BANK OF NOVA SCOTIA.

Vice-President Charles Archibald presided at the annual meeting of the shareholders of the Bank of Nova Scotia held a few days ago at Halifax. The report of the directors was submitted, showing that the profits for the year amounted to \$1,252,039, after making the usual deductions. The chairman and the general manager addressed the meeting with reference to features of the report of special interest.

General Manager Richardson stated that of the staff, 428 had joined the colors, of whom 22 had been killed, four were missing, and a number had been wounded, while several had gained high honors, including personal decoration at the hands of the Sovereign.

Emphasizing the necessity for thrift, Mr. Richardson said there was no doubt that from this time forward finance is to play a large part in the determination of the struggle. If, therefore, Canada is to do her share, our Government must continue its financial aid with the assistance of the banks, supported by the people. The usual formal resolutions were passed, and the old board of directors was re-elected for the current year.

PROVINCIAL BANK.

The seventeenth annual general meeting of the shareholders of the Provincial Bank of Canada was held Thursday.

H. Laporte, the president, occupied the chair. The report pointed out that in 1910 the bank's assets amounted to \$9,000,000; today they exceed \$18,000,000, while its obligations to the public, deposit, etc., reach the sum of \$16,600,000, being an increase of more than \$4,000,000 over last year.

All the directors were re-elected: H. Laporte, W. F. Carsley, G. M. Bosworth, Hon. Alphonse Racine, J. J. O. Beauchemin and Martial Chevalier. At a subsequent meeting of the Board of Directors Mr. Laporte was re-elected president and W. F. Carsley and Tancrede Bienvenu vice-presidents.

Chief of Police: "If you were ordered to disperse a mob, what would you do?"
Applicant: "I'd pass around the hat."—Life.

AMONG THE COMPANIES

SUN LIFE ASSURANCE CO.

New high records were made by the Sun Life Assurance Company for the year ended December 31st, 1916. Total assets now amount to \$82,948,000 a gain of \$8,622,000 over the previous year. Gains were shown in every department of the company's activities and today the Sun Life is in the strongest position in its history.

Detailed returns of the fiscal year of the Sun Life are contained in the following statement:

Assets as at 31st December, 1916.....	\$ 82,948,996
Increase over 1915	8,622,572
Cash income from premiums, interest, rents, etc., in 1916	18,499,131
Increase over 1915	2,526,459
Surplus paid or allotted to policyholders in 1916	1,110,900
Added to surplus during 1916	964,274
Surplus earned in 1916	\$ 2,075,174
Total surplus 31st December, 1916, over all liabilities and capital	8,509,865
(Company's own rigorous standard).	
Death claims, matured endowments, profits, etc., during 1916	7,578,016
Payments to policyholders since organization	60,254,071
Assurances issued and paid for in cash during 1916	42,574,199
Increase over 1915	7,700,347
Life assurance in force 31st December, 1916	281,434,699
Increase over 1915	24,030,539

BRANDRAM-HENDERSON CO.

The annual report of the Brandram-Henderson Company which appears elsewhere in this issue shows a very satisfactory condition of affairs. Not only are the net profits for the fiscal year at a new high record, but a comparison of returns of the preceding year shows a considerable reduction in current liabilities and a gain in current assets.

The net profits for the year were \$223,575 and the balance from the preceding year \$215,064, making a total of \$438,639 available for distribution. This is an actual gain of \$47,887 in profits for the year and \$56,408 in the amount available for distribution. Bond interest, dividends, reserves, etc., took \$89,174 compared with \$77,992 in the preceding year.

As compared with the net profits of \$223,575 last year and \$175,689 in the preceding year, the figures compare most favorably with the profits of 1914 at \$130,475, \$163,261 in 1913, and \$123,007 in 1912.

A dividend of 3 per cent on the common stock has been declared, payable February 15th, being the first dividend on the common stock since the incorporation of the company.

CROWN RESERVE MINING CO.

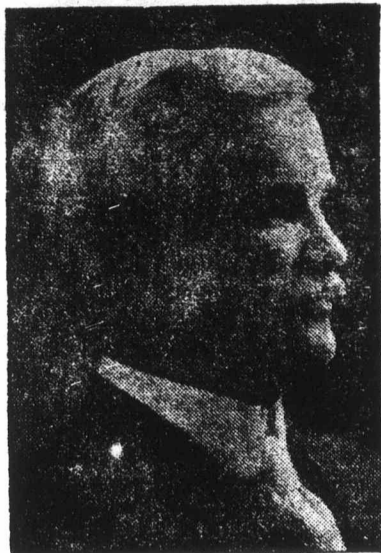
Crown Reserve Mining Company, Limited, produced only \$191,822 worth of ore during the year ended December 31, 1916, against \$339,425 in 1915. Mining and all other expenses, including development, depreciation, etc., took \$188,849, leaving a balance of \$2,973, as compared with \$13,236 a year ago.

The balance sheet shows total assets of \$2,869,379, compared with \$2,839,957. Cash accounts shows a good deal of improvement at \$191,181 as against \$61,216 last year.

President W. I. Gear declared that the continued existence of the company depended largely on its ability to acquire new paying properties, and future dividend payments would depend upon progress made along these lines.

CANADIAN CONSOLIDATED RUBBER.

Canadian Consolidated Rubber shareholders have been called for February 14 to vote on a resolution authorizing the creation of a first and refunding mortgage bond issue of \$8,000,000. This is to provide for the funding of various obligations, including the paying off of bank loans, and the retirement of the \$2,500,000 debentures that fall due towards the end of next year. It will also provide for funds for future development.



T. B. MACAULAY,
of Sun Life Assurance Company whose figures for 1916 have just been published.

NORTH AMERICAN LIFE ASSURANCE CO.

The annual report of the North American Life Assurance Company reveals that the old-time aims of the Company viz solidity and strength have been maintained. Assets now amount to the sum of \$16,442,713.47, while net surplus on policyholders' account has been increased to the sum of \$2,657,105.64.

The new business issued and revived during 1916 exceeded that of the best previous year, 1915, by over one million. The issued and revived business for the past year amounted to \$10,189,539.00, while the total assurance in force at the close of 1916 amounted to \$59,685,112.00. The cash income for the year amounted to \$2,912,514.00.

L. Goldmen, in his address to the policyholders pointed out that during the past year the sum of \$1,591,000.33, was paid to policyholders or their beneficiaries, of which amount \$262,684.26 was paid in dividends or surplus, while the guarantors received only \$6,000. During the past ten years there has been paid to the policyholders the sum of \$10,481,146.85—striking evidence of the fact that the interest of the policyholders is the first consideration.

NOVA SCOTIA STEEL & COAL CO.

About the only large sized fly in the Nova Scotia Steel ointment is the question of the size of the Canadian war tax. Based upon the assumption that 25% will satisfy this tax in 1916 it seems practically assured that during its fiscal year to December 31st last, Nova Scotia Steel earned better than \$40 per share on its \$7,500,000 common stock. This is after all interest and prior obligation charges. It is a smaller balance than seemed likely four or five months ago, but it compares most favorably with the 20% earned in 1915.

Nova Scotia Steel will have one new 2,700-ton steamship in commission in April and a second of the same size should follow shortly after that.

WINNIPEG ELECTRIC RAILWAY CO.

Operating revenue of the Winnipeg Electric Railway Company for the year ended December 31st amounted to \$2,075,000 against \$1,331,737 in the previous year, an increase of \$743,263. Of this amount the city's percentage amounted to \$103,767, while the license on the cars of \$20 each aggregated \$6,460, a total of \$110,227, as compared with \$99,303 in the previous year.

NEW STOCK LISTED.

The new capital issues of Smelters and Royal Bank were listed Thursday on the Montreal Exchange as follows:

Canadian Consolidated Mining & Smelting, 84,290 shares par value \$25 each, making total amount listed \$10,534,750.

Royal Bank, 9,177 shares par value \$100 each, making total amount listed \$12,911,700.

MACKINNON HOLMES & CO.

Changes have recently been made in the management of MacKinnon, Holmes & Co., Limited, of Sherbrooke, Que. This company has been engaged for the past seven years in general structural steel and steel plate work, and for the past eighteen months has been successful in work for the Imperial Munitions Board, having a very up-to-date plant for this purpose.

G. D. MacKinnon, on behalf of himself and associates, has, at a price of \$150,000, purchased from A. R. Holmes and his associates half the outstanding stock of the company, Mr. Holmes retiring as director and secretary-treasurer, which position he has held during the past seven years.

The business will be conducted as in the past, with J. W. Bowman, of Boston, president; G. D. MacKinnon, vice-president and general manager, and F. C. Johnston, secretary-treasurer.

INTERNATIONAL NICKEL.

Earnings of the International Nickel Company for the quarter ended December 31st, net after expenditures increased \$1,077,800; surplus after depreciation, increase \$1,061,638. Profit and loss surplus, increase \$633,560; for nine months ended December 31st, net after charges, increase \$2,108,000. Surplus after depreciation, increase \$1,828,500; surplus, increase \$801,600.

BETHLEHEM STEEL CO.

A stock dividend of 200 per cent has been declared by the Bethlehem Steel Corporation and at the same time the sale of \$15,000,000 new stock was authorized at par. This will make the total common \$60,000,000, on which 10 per cent dividends are to be paid. The Company earned \$61,717,000 in 1916 as compared with \$23,782,000 in 1915 and \$9,378,000 in 1914.

CANADIAN WESTINGHOUSE CO.

A short time ago the Canadian Westinghouse Company increased its capitalization from five million to ten million dollars and now offers \$1,250,000 for immediate subscription. Shareholders of record February 1st will have the opportunity to subscribe between that date and February 15th. Subscriptions will be for one share to every four shares now held. The new shares must be paid for on or before March first.

The directors have declared payable March first to record February first, a dividend of 25 per cent. This dividend can be used for payment of new shares, being for the exact amount of the capital increase. It is practically a stock dividend and is being paid from accumulated profits. The stock of the company is mainly held by investors and on this account, contrary to rumors, there is no intention of listing the stock on the local Stock Exchange.

BUFFALO MINES.

A report sent out by the Buffalo Mines Company states that since the last annual statement issued in May, 1916, the ore reserves of the company have been increased to practically a million dollars. In May ore reserves were estimated at 326,000 ounces of silver, whereas on October 31st an increase had been made to 1,288,275 ounces, in the mine, 1,600,000 ounces in hands and 180,000 in residues which, with billion on hand of 800,000 ounces makes a total of 3,868,375 ounces. The first of March is set as the date for the starting up of the new mill.

NATIONAL LIFE ASSURANCE CO.

The National Life Assurance had a good year, according to the annual report. New business amounted to \$5,457,957, making the total insurance in force at the end of the year \$23,883,130, a gain of \$2,688,975 from the previous year.

The premium for the year was \$807,677 against \$725,804 in the previous year, while total income from premium, interest, rents, etc., was \$900,309. The shareholders have authorized the directors to apply at the present session of Parliament to increase the capital from \$1,000,000 to \$2,000,000.

THE DOMINION BANK

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

C. A. BOGERT, General Manager

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

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

SIR FELIX SCHUSTER PRAISES ALLIES' FINANCE.

London, Jan. 25.—Sir F. Schuster, Governor of the Union of London and Smith's Bank, Limited, speaking at the annual meeting of the bank's shareholders, remarked upon the extraordinary smoothness with which Britain's economic machinery has coped with a war which has already cost £3,700,000,000, £820,000,000 of which has been raised by taxation without monetary strain.

Considering the difficulties which had to be faced, difficulties which included problems connected with labor, high prices, transit and the dislocation of trade, it was more than remarkable how foreign trade had been maintained. The country's exports, he pointed out, were only 30,000,000 sterling less than the figure recorded for the twelve months preceding the war.

Sir Felix emphasized the fact that the adverse trade balance threatens the country's whole economic position and necessitates a serious reduction in all imports which are not indispensable. He estimated that 350,000,000 sterling of American securities have been sold in London since the beginning of the war.

Great Britain's economic position, could not but be assisted by the loans the country is now making to her allies, these loans replacing in large measure large blocks of miscellaneous foreign securities held here at the beginning of the war but now sold.

Imperial Bank of Canada

Capital Paid Up - - - - \$7,000,000
Reserve Fund - - - - \$7,000,000

Peleg Howland - - President
E. Hay - - General Manager

Head Office: Toronto

Dealers in Government and Municipal Securities.

Dealers in Domestic and Foreign Exchange.

Careful attention given to Accounts of Merchants, Manufacturers and Farmers

119 Branches in Dominion of Canada.

THE BANK OF BRITISH NORTH AMERICA

Established in 1836
Incorporated by Royal Charter in 1840.

Paid up Capital..... \$4,855,555.53
Reserve Fund..... \$3,017,333.33

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

Advisory Committee in Montreal:
SIR HERBERT B. AMES, M. P.
W. R. MILLER, Esq. W. R. MACINNES, Esq.
This Bank has Branches in all the principal Cities of Canada, including Dawson (Y.T.), and Agencies at New York and San Francisco in the United States. Agents and Correspondents in every part of the world.
Agents for the Colonial Bank, West Indies, Drafts, Money Orders, Circular Letters of Credit and Travellers' Cheques issued negotiable in all parts of the world.

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

CANADA SPENDS \$8,643 IN GERMANY DURING 1916.

According to a Trade and Commerce Blue Book tabled in the Commons, giving details of trade for the last fiscal year with Great Britain, France, United States and Germany, Canada's imports from Germany totalled for the fiscal year, ended March last, \$8,643. Included in the items are toys and dolls, \$2,886; jewellery, \$389; tobacco, \$964; carpets, \$965; drugs, \$269; books, \$465; pencils, \$40. One of the strangest items considering the food shortage in Germany is the importation of vegetables to the value of \$117.

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

Communicate with

THE PRUDENTIAL TRUST COMPANY LIMITED

Head Office - Montreal

Branches and Agencies
Toronto Winnipeg Regina Edmonton
Quebec St. John Vancouver
Halifax London, Eng.

BANK OF HAMILTON

Head Office: HAMILTON

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

... THE ... Molsons Bank

Incorporated by Act of Parliament 1855.

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

HEAD OFFICE : MONTREAL

BOARD OF DIRECTORS

Wm. Molson MacPherson - President
S. H. Ewing - Vice-President
Geo. E. Drummond F. W. Molson
W. A. Black Wm. M. Birks
E. J. Chamberlin
Edward C. Pratt, - General Manager

THE Royal Bank of Canada

Incorporated 1869

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

HEAD OFFICE: MONTREAL
SIR HERBERT S. HOLT, President
E. 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

LONDON, Eng. NEW YORK
Princes Street, E. C. Cor. William and Cedar Streets
SAVINGS DEPARTMENTS at all Branches



THE STANDARD BANK OF CANADA

HEAD OFFICE - TORONTO

Money Orders and Drafts are issued by this Bank payable in all parts of the world.

MONTREAL BRANCH

ET C. GREEN, Manager 136 St. James Street

\$4,000,000,000 OF LIFE INSURANCE.

Reports received by the Insurance Press during December from eighty-five American life insurance companies showed that in the first eleven months of 1916, \$315,355,686 more new insurance was written than in the corresponding period in 1915. With scarcely an exception the life insurance companies report an unusually successful year. Their gains are something more than 25 per cent over the previous year. The total volume of new life insurance business in 1916 probably exceeded \$4,000,000,000. Full reports have not been received but careful estimates indicate some such figure as the total.

ASBESTOS CORPORATION OF CANADA.

Asbestos Corporation of Canada has inaugurated a dividend policy on its \$4,000,000 of non-cumulative preferred with 1 per cent quarterly payable February 15 to stock record of February 1, putting the stock on a 4 per cent basis. Net profits for the first ten months of 1916 were \$437,318, against \$386,377 for the full year 1915 and \$343,236 for the full year 1914. Indicated earnings on the preferred were at a per annum rate of about 5 per cent.

CANADIAN SURETY CO.

At the annual meeting of the Canadian Surety Co., held in Toronto, Mr. F. Gordon Osler and Mr. F. J. Parry were added to the board of directors. The report to the shareholders shows a prosperous year. Although doing business only since July 1, 1913, the stock has this year been put on a 5 per cent dividend basis.

GUARANTEE COMPANY OF NORTH AMERICA.

Henry E. Rawlings, vice-president and managing director of the Guarantee Company of North America, has been elected president to succeed Hartland S. MacDougall, who now becomes chairman of the board. William McMaster succeeds Mr. Rawlings as vice-president.

The financial statement covering the year's operations shows a substantial gain in net income, the total for 1916 from premiums, interest, rents, etc., amounting to \$400,962, against \$360,660 in 1915.

WALTER BAKER & CO.

Walter Baker and Co., Limited, have voted to increase capital stock from \$2,750,000 to \$8,250,000, and to issue \$5,500,000 new stock to stockholders as a 200 per cent stock dividend.

WEEKLY STATEMENT OF BANK OF FRANCE.

The Bank of France, in its weekly statement, reports the following changes: Gold holdings increased 10,776,000 francs, silver holdings decreased 3,496,000, notes in circulation increased 149,008,000, general deposits increased 40,174,000, bills discounted increased 8,330,000. Treasury deposits decreased 35,467,000, advances decreased 9,499,000.

The detailed statement compares as follows (in francs):

	1917.	1916.	1915.
Gold	5,210,022,000	5,011,600,000	4,492,789,000
Silver	287,526,000	353,775,000	625,325,000
Circulation	17,338,178,000	13,858,025,000	9,986,041,000
Gen. dep.	2,155,695,000	2,045,750,000	947,571,000
Bills dis.	2,117,985,000	3,392,475,000	2,454,280,000
Tr. dep.	107,860,000	99,650,000	382,561,000
Advances	1,267,306,000	1,195,436,000	743,772,000

RAILROAD EARNINGS.

Gross earnings for the three principal Canadian railroads for the week ending January 21st last amounted to \$4,633,309 compared with \$4,157,306 for the corresponding week last year, an increase of \$476,003.

	Week ending Jan. 21, 1917	Same week last year.	Increase.
C. P. R.	2,215,000	1,910,000	305,000
G. T. R.	1,760,109	1,743,306	16,803
C. N. R.	658,200	504,000	154,200

Why had Canada a per capita loss of \$3.58 in 1914 and "uncivilized" Russia \$1.19 per capita; Germany, 17 cents; Switzerland, 19 cents, and Holland 7 cents per capita? Poor decadent Europe, with its war follies, in none of these countries reached one-half of Canada's record of 1916, and we at home are at peace with all but the fire demon. Why?

EASTERN S. S. CORPORATION SOLD FOR \$3,366,000.

Millions of dollars' worth of steamship, wharf and warehouse property was disposed of recently at St. John, N.B., when the fleet of steamers, landing places and leases of the Eastern Steamship Corporation, in the hands of a receiver, were sold under foreclosure proceedings for \$3,366,000, the purchaser assuming the liabilities of the concern.

The vast properties in St. John, Maine, Massachusetts and New York were bid in by Joac Downs, of Hayden, Stone & Company, bankers, of Boston, New York and Montreal, representing a company of shareholders and bondholders which will reorganize the corporation.

The steamers Calvin Austin, Governor Dingley, Governor Cobb, and North Star, of the Boston-St. John division, were among the vessels sold.

The sale also included a large interest in the Boston and Yarmouth Steamship Company, amounting to \$335,000, the par value of 6,700 shares held by the Steamship Corporation.

TO DISCUSS BARN FIRES.

Mr. E. P. Heaton, Provincial Fire Marshal, for Ontario, will address the Mutual Fire Underwriters' Association at their annual convention on February 27th and 28th, when he will discuss barn fires and spontaneous combustion.

He will also have a conference on the subject on March 1st with insurance representatives belonging to companies which insure barns and stock.

JOINS MERCHANTS BOARD.

Announcement was made a few days ago of the appointment of Thomas Ahearn, of Ottawa, to the vacancy on the board of directors of the Merchants' Bank of Canada created by the death of Alexander, Barnet, of Renfrew.

BRANDRAM-HENDERSON LIMITED

General Statement of Assets and Liabilities as at 30th November, 1916

ASSETS.	
Fixed:	
Real Estate, Building, Plants, Equipment, Good Will, Patent Rights	\$1,709,265.04
Investments	3,630.00
Total Fixed Assets	\$1,712,895.04
Current:	
Merchandise	\$ 452,407.11
Accounts Receivable	418,282.89
Bills Receivable	3,122.57
Cash on hand and in Banks	28,428.73
Total Current Assets	902,241.36
Deferred Charges	13,431.29
	\$2,628,567.69
LIABILITIES.	
Fixed:	
Capital Stock Preferred	\$500,000.00
Capital Stock Common	1,470,000.00
Bonds	397,900.00
Bond Redemption Reserve	192,100.00
Bond Premium Account	3,748.85
Reserve for Depreciation	30,000.00
Total Fixed Liabilities	\$2,003,748.85
Current:	
Loans from Bank	\$ 118,587.45
Bills Payable	42,076.90
Accounts Payable	95,924.36
Reserve for Dividend No. 21 on Preferred Stock Payable January 2nd, 1917	8,750.00
Reserve for Bond Interest	4,015.32
Reserve for War Tax	6,000.00
Total Current Liabilities	275,354.04
Surplus	349,464.80
	\$2,628,567.69

Audited and verified,
P. S. ROSS & SONS,
Chartered Accountants.

Montreal, December 28th, 1916.

Profit and Loss Account for Year ended 30th November, 1916.

CR.	
By Balance brought forward December 1st, 1915	\$215,064.01
Net Profit after deducting Head Office Charges	223,575.13
	\$438,639.14
DR.	
To Bond Interest paid and accrued	\$24,238.73
Dividends on Preferred Stock paid and accrued	29,624.50
Reserve for Depreciation	7,500.00
Sinking Fund for Redemption of Bonds	15,300.00
Building New Offices	6,501.11
Reserve for War Tax	6,000.00
	\$89,174.34
Balance at credit of Profit and Loss Account, Nov. 30th, 1916	\$349,464.80

Audited and verified,
P. S. ROSS & SONS,
Chartered Accountants.

Montreal, December 28th, 1916.

DIRECTORS' REPORT

To the Shareholders of
BRANDRAM-HENDERSON, LIMITED.

Your Directors submit herewith their Tenth Annual Report with Statement of Assets and Liabilities and abstract of Profit and Loss Account for the year ended November 30th, 1916.

The Net Profits for the year amounted to \$223,575.13, which, with the balance of \$215,064.01 carried forward from the previous year, makes the sum of \$438,639.14 to the credit of the Profit and Loss Account. Out of this sum has been paid the interest on bonds to September 30th and a reserve for interest accruing for October and November, also the dividend on the Preferred Stock. The sum of \$7,500.00 has been provided as a reserve for depreciation, the sum of \$6,501.11 for the building of the new offices at Montreal during March last, a reserve for the forthcoming war tax of \$6,000.00, and the sum of \$15,300.00 has been applied for Sinking Fund purposes, leaving a balance of \$349,464.80.

It is gratifying to your Directors to be enabled to report that the sales of the Company during the past year were very much greater than during any previous fiscal year, and that practically every Division and Department of the Company has contributed to this result; our increased Export sales and Western business being particularly conspicuous.

Owing to competition and the adoption of different methods of manufacture,

the profit on munition orders for Shrapnel Bullets has become very small during the last six months. In place of supplying our own material and workmanship, the necessary metals are furnished us free of charge by the Imperial Munitions Board, and our charges now are for labor and supervision only. We feel, however, that owing to the equipment we have, we would desire to continue the work, if for no other reason than that of patriotic assistance in the war.

During the year it was decided to offer to the public the \$150,000.00 7% Preferred Stock still remaining in the Treasury, and the sale was readily accomplished during the month of July at a favorable price.

During the year a vacancy on the Board was filled by the appointment of Mr. H. H. Champ, Secretary-Treasurer of the Steel Co. of Canada, Hamilton.

In view of the satisfactory position of the Company, your Directors have declared a 3% dividend on the Common Stock to shareholders of record January 31st, 1917, payable February 15th, 1917.

On behalf of the Directors,

GEORGE HENDERSON,

President.

Halifax, N. S., December 29th, 1916.

UNION ASSURANCE SOCIETY LIMITED

OF LONDON, ENGLAND

FIRE INSURANCE SINCE A.D. 1714

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

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

AGENCIES THROUGHOUT THE DOMINION

Success and Progress

These are two outstanding features of the history of the North American Life over the past 39 years.

Year.	Income	Payments to Policyholders	Assets.	Assurance in Force.
1885	153,401	38,916	212,716	4,849,287
1895	581,478	105,712	2,209,518	15,779,385
1905	1,660,064	548,827	6,968,914	37,580,047
1915	2,749,951	1,336,925	15,716,839	56,245,218

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

NORTH AMERICAN LIFE ASSURANCE COMPANY

"Solid as the Continent."

Head Office, Toronto, Ont.

Founded in 1803

THE LAW UNION AND ROCK INSURANCE CO. LIMITED

OF LONDON

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

Canadian Head Office:

57 Beaver Hall Hill, MONTREAL
Agents wanted in unrepresented towns in Canada
J. E. E. DICKSON, Canadian Manager.
W. D. AIKEN, Superintendent Accident Dept.

The Independent Order of Forester

Policies issued by the Society are for the protection of your family and cannot be bought, pledged or sold.
Benefits are payable to the beneficiary in case of death, or to the member in case of his total disability, or to the member on attaining seventy years of age.

TOTAL BENEFITS PAID (Over) to \$5,000,000

FRED. J. DAVENPORT, Secretary.
W. H. PIPE, F. A. S. A. I. A., Actuary.
W. B. STEVENSON, President.

WESTERN ASSURANCE COMPANY

INCORPORATED 1851

Fire, Explosion, Ocean Marine
and Inland Marine Insurance.

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

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

HEAD OFFICE - - - - TORONTO, ONT.

W. R. BROCK, President.
W. B. MEIKLE, Vice-Pres. & Gen. Man.

QUEBEC PROVINCE BRANCH:
61 ST. PETER STREET, MONTREAL
ROBERT BICKERDIKE, Manager

The London & Lancashire Life and General Assurance Association, Limited

Offers Liberal Contracts to Capable Field Men

GOOD OPPORTUNITY FOR MEN TO BUILD
UP A PERMANENT CONNECTION

WE PARTICULARLY DESIRE REPRESENTATIVES
FOR CITY OF MONTREAL

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

ALEX. BISSETT - - - Manager for Canada

A SANITARY SURVEY OF A TRIAL CITY CITY BLOCK.

(By DR. EVANS in Chicago Tribune).

A great many persons have studied the sanitation of factories. The unions look after sanitation of shops in which their members work, at least in name. It remained for the New York City health department to investigate the working conditions of clerks, stenographers, and bookkeepers. These members of the white collar brigade have no unions looking out for them.

The New York City survey was made in the financial district. They made a record of the width of streets, height of buildings, dark rooms, illumination, ventilation, and sanitary provisions. The monthly bulletin for August, 1916, gives some interesting details relative to one nearly typical block.

The number of rooms in the block was 928. The number of employees in these rooms was 2,382. The average number of visitors a day was 16,097. For one thing, it was found that the employees did not get enough "break" at the noon hour. One hour for lunch and a little fresh air exercise and mental freshening is a requisite for good health and good work. Forty-eight sixty-nine one-hundredths per cent of the employees did not have an hour for lunch.

Eighty-five per cent of the employees were found working by artificial light.

The investigators found that though much attention had been paid to the aesthetic side of illumination, but little attention has been paid to efficiency. The illumination varied all the way from one-half of a foot candle to over forty foot candles. Observations showed that ceiling lighting, regardless of the system, does not give sufficient light when used by itself.

The best effect was found, for the purposes of typists and bookkeepers, to be given when eight to nine foot candles fell on the working surface. The best results were had when higher placed lights

were supplemented by desk lights of low intensity, covered by green vitreous shades with light reflecting linings, were placed about nineteen inches from the work, in such position as to shield the workers' eyes. Such illumination was rarely found. It was found that seldom was such a color scheme employed for walls as would assist in illumination and would lessen the headaches and other fatigues due to eye strain.

The rooms were usually overcrowded. Only 7 per cent of the workers had over 200 square feet of floor space, while 26 per cent had under fifty square feet. It is considered that less than 500 cubic feet of air space per man is incompatible with efficiency and health where a man is to work indoors throughout the entire year. Eighteen and six-tenths per cent of the workers had less than 500 cubic feet of air space, and 49.32 per cent had over 1,000 cubic feet.

The ventilation can be good even where the air space is less than 500 cubic feet and the floor space is less than fifty square feet, provided enough air of proper temperature, humidity, and cleanliness passes through the room.

It was found that forced ventilation was used generally on the basements and first floors only. In four buildings forced ventilation extended as high as the second floor. The general conclusion was that ventilation throughout this block was unsatisfactory.

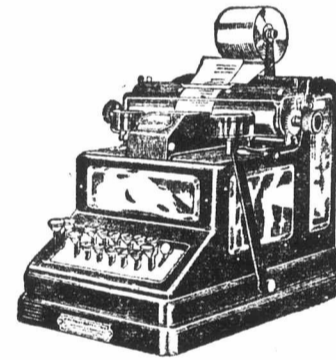
The tall buildings of the neighborhood created strong air currents. The office workers would not open the windows on account of these strong drafts and currents.

Inside openings, such as transoms, existed only in a few instances, and when they did exist were not in use. Where mechanical ventilators of the individual type run by electricity have been installed the results have been extremely satisfactory, especially in those devices where the air is heated.

The temperature was often too high.

The humidity was almost invariably too low, ranging from 21 to 43.

This Dalton Adding Machine And Its Methods Make Men More Valuable



The employer wants his men to do men's work.

The accountant wants to make himself more valuable.

Mr. Business Man:

You want results. How much is your money worth to you in your business?
10% 25% 50%

The DALTON ADDING and CALCULATING MACHINE will yield on its cost if used in your business:

1 hour per day, 100% to 200% annually.

4 hours per day, 400% to 800% annually.

8 hours per day, 800% to 1,600% annually.

Your business is increased in value by its presence, and grows faster because of its use.

Mr. Bookkeeper:

How much do you earn?

\$18? \$25? \$40?

Clerks at one-third the wage can perform the manual features of your labor, but you are in a position to cultivate the resources and conserve the expenditures of your firm; you are the real safety deposit vault of your company.

Uphold your standard. Don't be a machine. Buy one, and give your employer the maximum of your ability.

Speed -- Simplicity -- Accuracy

ONLY TEN KEYS

Write for descriptive booklet.



UNITED TYPEWRITER CO., LIMITED

109 Notre Dame St. West,

MONTREAL.

Head Office - - Toronto, Ont.

BRANCHES IN ALL CANADIAN CITIES.

BLACK DIAMOND
FILE WORKS

Established 1863 Incorporated 1897

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

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

Owned and Operated by
NICHOLSON FILE COMPANY



PROFESSIONAL

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

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

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

DIVIDEND NOTICE.

BANK OF MONTREAL

NOTICE is hereby given that a DIVIDEND of TWO-AND-ONE-HALF per cent., upon the paid up Capital Stock of this Institution, has been declared for the current quarter, payable on and after Thursday, the FIRST DAY OF MARCH next, to Shareholders of record of 31st January, 1917.
By order of the Board,
FREDERICK WILLIAMS-TAYLOR,
General Manager.

Montreal, 23rd January, 1917.

ILLINOIS TRACTION COMPANY

NOTICE OF DIVIDEND NO. 16.

A Quarterly Dividend at the rate of three per cent (3%) per annum on the common stock of the Illinois Traction Company has been declared for the Quarter ending January 31st, 1917 payable February 15th, 1917, to Shareholders of record January 31st, 1917.

By Order of the Board,
GEORGE M. MATTIS,
Treasurer.

Champaign, Ill.

THE HOME BANK
OF CANADA ORIGINAL CHARTER 1854

NOTICE OF QUARTERLY DIVIDEND

Notice is hereby given that a Dividend at the rate of five per cent (5%) per annum upon the paid up capital stock of this Bank, has been declared for the three months ending the 28th of February, 1917, and that the same will be payable at the Head Office and Branches on and after Thursday, the 1st day of March, 1917. The Transfer Books will be closed from the 14th of February to the 28th of February, 1917, both days inclusive.

By Order of the Board,
J. COOPER MASON,
Accounting General Manager.
Toronto, January 17th, 1917.

The MONTREAL CITY & DISTRICT SAVINGS BANK.

The Annual Meeting of the Shareholders of this Bank will be held at its Head Office, 176 St. James Street, on Monday, the twelfth day of February next, at 12 o'clock noon, for the reception of the Annual Reports and Statements, and the election of Directors.

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

Montreal, January 8th, 1917.

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

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

The Defendant is ordered to appear within one month.

Montreal, January 3, 1917.
L. E. GAGNON,
Dep. Prothonotary,
BRODEUR & BERARD,
Advocates for Plaintiffs.

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

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

The Defendant is ordered to appear within one month.

Montreal, January 3, 1917.
L. E. GAGNON,
Dep. Prothonotary,
BRODEUR & BERARD,
Advocates for Plaintiffs.

Physicians assert that over-eating and over-drinking are alike the deadly foes of long life. "Why, therefore," inquires the Coast Review, "should not some enterprising life insurance company establish a separate department for policyholders who pledge themselves never to over-eat and never to over-drink?"

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

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

The Defendant is ordered to appear within one month.

Montreal, December 21st, 1916.
T. DEPATIE,
Dep. Prothonotary,
BRODEUR & BERARD,
Advocates for Plaintiffs.



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

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

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

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

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

By order,
R. C. DESROCHERS,
Secretary.

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

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

Fire Commissioner Adamson, of New York city, in his annual report for 1915, says that carelessness continues to hold first place as the cause of fires. Of a total of 11,455 fires in buildings, 8,960 were in homes and 2,495 in other buildings. The remedy for this is obvious—greater care in the home.

THE MINISTER OF FINANCE

REQUESTS

THE PEOPLE OF CANADA TO

BEGIN NOW

TO SAVE MONEY FOR THE

NEXT WAR LOAN

JAN. 9, 1917

DEPARTMENT OF FINANCE
OTTAWA

Canada's 1916 Grain Crop Worth \$808,000,000

Lower Yield Offset by Higher Prices

(Special to The Journal of Commerce).

The revised estimate of the grade yield of the principal grain crops of Canada for the past season proves that the lower grade and quantity of the 1916 crop were to a great extent offset by the higher average prices the farmers were able to obtain. The total farm value of the principal grain crops of 1916 are estimated as follows, the values of wheat, oats, barley, rye and flaxseed being based upon the corrected areas of the census returns of 1916, and the corresponding values of 1915, similarly corrected, are given in brackets for wheat, oats, and barley: Wheat, \$289,371,000 (\$252,273,400); oats, \$181,759,000 (\$177,727,000); barley, \$41,010,000 (\$29,799,000); rye, \$3,265,800; peas, \$1816,000; mixed grains, \$2,223,000; buckwheat, \$4,375,000; mixed grains, \$9,643,000; flaxseed, \$14,581,300, and corn for husking \$6,747,000. Including the root and fodder crops, of which the estimated value was published last November, the total value of the field crops of Canada in 1916 is now estimated at \$808,054,000 as compared with \$841,297,500, the revised estimate of 1915. The totals comprise grain crops, \$558,172,300, compared with \$611,789,900 in 1915; potatoes and sugar beets, \$50,094,000 compared with \$38,739,500 and fodder crops, \$199,787,600 compared with \$192,763,100. The total of \$808,054,000 for 1916 is higher than in any previous year with the exception of 1915.

Average Values Per Bushel.

Offsetting the low yields and grades is the increase in the average prices of grain. These prices are considerably higher than those of 1915, and are even higher than the prices which ruled in 1914 after the outbreak of the war. The average prices per bushel received by farmers for the grain crops

Crops.	1915.	1916.
Wheat	14,675,200	12,879,540
Oats	11,424,600	9,835,100
Barley	1,707,650	1,651,100
Rye	145,120	605,700
Flaxseed	7,122,300	605,700

For other crops the estimated total production in 1916 is as follows: peas 2,172,400 bushels from 150,280 acres; beans 412,600 bushels from 32,500 acres; buckwheat 5,976,000 bushels from 341,500 acres; mixed grains 10,077,000 bushels from 397,770 acres and corn for husking 6,232,000 bushels from 173,000 acres.

Average Yields Per Acre.

The average yields per acre of the principal grain crops for 1916 are, in bushels, as follows, the yields of 1915 and 1916 being placed within brackets for comparison: Fall wheat 21½ (28¾ and 21½); spring wheat 16¾ (29 and 15); all wheat 17 (29 and 15½); oats 35¾ (45¾ and 31).

Correction of Areas.

Previous estimates of the areas sown to wheat, oats and barley in Manitoba, Saskatchewan and Alberta for the years 1915 and 1916 have been corrected by the preliminary results of the Census taken in June, 1916, and for 1916 the corrections include also rye and flax. These results indicate that the annual estimates of areas sown, as compiled from the reports of correspondents, are considerably below the Census returns as compiled from the individual schedules filled up for every farm. Thus, in 1915 the Census returns show, for the three provinces, 13,423,600 acres of wheat instead of 11,744,700; 6,349,600 acres of oats instead of 6,290,000 and 1,160,300 acres of barley instead of 962,000. Similarly, in 1916, the Census returns, after the deduction of areas estimated to be unproductive, are for wheat 11,872,600 acres instead of 9,068,200; for oats 6,198,100 acres instead of 5,673,000; for barley 1,239,400 acres instead of 898,500; for rye 67,500 acres instead of 23,800 and for flax 600,700 acres, instead of 705,000 acres, the area in the case of flax being less. The increases thus shown are largely in the more recently settled districts where the system of reporting by correspondents is necessarily less fully developed. A final statement of the harvest results of 1916, to include all crops, is dependent upon completion of the Census compilation, a work that is now being proceeded with.

The revised estimate of the grade yield of the products of 1916 work out as follows: Fall wheat, \$1.53 against 91 cents in 1915, spring wheat \$1.29 against 82 cents, all wheat \$1.31 against 83 cents; oats 52 cents against 34 cents, barley 32 cents against 49 cents, rye \$1.11 against 79 cents, flaxseed \$2.05 against \$1.50, peas \$2.22 against \$1.66, beans \$5.40 against \$3.05, buckwheat \$1.37 against 75 cents, mixed grains 90 cents against 57 cents and corn for husking \$1.07 against 71 cents, barley 25 (35½ and 24¼); rye 20 (21¼ and 18); peas 14½ (17¼ and 17½); beans 12¼ (16¾ and 18¼); buckwheat 17½ (23 and 27¼); mixed grains 25¼ (37½ and 35¼); flaxseed 11¼ (13 and 6½); corn for husking 36¼ (56¾ and 54½). For wheat, oats, barley and flaxseed these average yields, although inferior to the excellent returns of 1915, are higher than those of 1914, which was a year of low yields due to drought. For rye the average is lower than in 1915, but higher than in 1916. For peas, beans, buckwheat, mixed grains and corn for husking the average yields are lower than in either of the two previous years.

Quality of Grain.

The quality of the grain crops of 1916, as determined by the average weight in lb. per measured bushel, is as follows: Fall wheat 59.52 lb., spring wheat 56.51 lb., all wheat 57.10 lb., oats 33.86 lb., barley 45.66 lb., rye 54.95 lb., peas 59.88 lb., beans 60 lb.; buckwheat 46.35 lb., mixed grains 43.13 lb., flax 55 lb., and corn for husking 56.51 lb. For wheat and oats these weights per measured bushel are lower than in any previous year on record.

Total Areas and Yields.

The total harvested areas and the total production of the principal grain crops of Canada in 1915 and 1916, as corrected by the Census returns of 1916, are therefore now estimated as follows:

Crops.	1915.	1916.
Wheat	12,879,540	426,746,600
Oats	9,835,100	523,634,400
Barley	1,651,100	60,699,400
Rye	145,120	2,896,400
Flaxseed	605,700	7,122,300

INSPECTIONS BY FIREMEN.

Three hundred New York City firemen made 1,500,000 inspections in 1915 for the purpose of preventing fires, with the result that 50,000 fire producing conditions were corrected by verbal requests. Other dangerous conditions were changed by department orders.

The New York fire department's report gives 1,010 fewer fires in 1915 than in 1914 and a total loss lower by \$2,460,793.

PROSPEROUS and PROGRESSIVE

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

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

SUN LIFE ASSURANCE COMPANY OF CANADA
HEAD OFFICE—MONTREAL

THE Dominion Savings AND Investment Society

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

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

Dominion Savings Bldg.
LONDON, CANADA.

AN IDEAL INCOME

can be secured to your Beneficiary with Absolute Security by Insuring in the Union Mutual Life Insurance Company, Portland, Maine

on its MONTHLY INCOME PLAN

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

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

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

Commercial Union Assurance Co. LIMITED OF LONDON, ENG.

The largest general Insurance Company in the world
Capital Fully Subscribed \$14,750,000
" Paid Up 1,475,000
Life Fund and Special Trust Funds.... 74,591,540
Total Annual Income Exceeds 47,250,000
" Funds Exceed 142,000,000
" Fire Losses Paid... .. 183,266,690
Deposits with Dominion Government ... 1,225,467
(As at 31st December, 1915.)

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

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

A Free Course in "Salesmanship"

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

A GOOD LIVING WAGE
A PROFITABLE FUTURE
A PROVISION FOR OLD AGE
We teach a man the Insurance Business, which offers permanent success, does not fluctuate, is a professional occupation, and has been truly named "The best paid hard work in the world."

This is done by a correspondence course and personal assistance, free of charge. When he is fully prepared for the work, we place him in a position and help him to make good. The first two lessons of the Company's correspondence course will be sent to anyone interested. It will pay young men who desire to get on in the world to look into this.

All correspondence strictly confidential.
CANADA LIFE ASSURANCE COMPANY
Head Office, Toronto.



"A Little Nonsense Now and Then"

A correspondent writes that the German peace overtures remind him of the American advertisement:

"If John Robinson, with whose wife I eloped six months ago, will take her back, all will be forgiven."
—Punch.

Hub: "Look here, Mary. It was only last month I paid a dressmaker's bill of \$74, and here is another one for \$60."

Wife: "Well, dear, doesn't that show that I am beginning to spend less?"

We wish to apologize to Mrs. Orlando Overlook in our paper last week we had as a heading "Mrs. Overlook's Big Feet." The word we had ought to have used is a French word pronounced the same way but spelled fete. It means a celebration and is considered a very tony word.—Williamsville Item.

Aunt: "Won't you have some more cake, Willie?"

Willie (on a visit): "No, thank you."

Aunt: "You seem to be suffering from loss of appetite."

Willie: "It ain't that. I'm suffering from politeness."

The recruit was not very robust, and during a trying route march had to fall out no fewer than five times. The sergeant got exasperated.

"You are in the wrong regiment," he shouted. "It's not this one you should be in at all."

The recruit looked puzzled.

"It's in the flying corps you should be," continued the sergeant, "an' then yer would only fall out once."

The Rev. Charles H. Spurgeon's keen wit was always based on sterling common sense. One day he remarked to one of his sons:

"Can you tell me the reason why the lions didn't eat Daniel?"

"No, sir. Why was it?"

"Because the most of him was backbone, and the rest was grit."—Tid-Bits.

At a recent fair in the west of Ireland, in which pigs were very dear, a buyer noted for his sharp tongue, eyeing a very small specimen for which an enormous price was asked, remarked:

"Are these guinea pigs?"

"Faith and they're not," said another would-be purchaser; "but they're two-guinea pigs."—Farm and Home.

BANKING AND BUSINESS AFFAIRS IN THE U. S.

(Concluded from page 4).

those securities originated in other States, has been opposed on the ground that it was an interference with inter-State commerce. But the recent decision of the United States Supreme Court takes the view that it is within the proper police powers of the respective States to protect their citizens from being offered securities unless certain preliminary conditions are first complied with.

The early freedom with which business was transacted, and which had much to do with the country's rapid development—though not without some accompanying evils — is being rapidly superseded by the closest Governmental restriction upon business of nearly every kind. Corporations are made the subject of drastic regulation, both as to their initial organization, the sale of their stocks and bonds, and as to their operations while their earnings are roundly taxed. The fact appears to have escaped American legislators that the object sought in these complicated acts which the Supreme Court has just sustained (they were called "blue-sky" laws) was attained in England most effectually by the Companies Act, a comparatively simple statute. Business in the United States rarely objected to the principle contained in any legislation designed to assure the honest conduct of operations. What is objected to, and not without reason, is the multiple regulation of business by some forty-eight States and the Federal Government besides. In the decision referred to, the learned Justice who rendered the opinion of the Supreme Court said: "It costs something to be governed." Not a few business men are wondering whether the cost and most of all the perplexity which so many varying laws entail, may not render this burden so heavy as to force them out of business altogether.

UNITED STATES LEADS FOR INSURANCE.

At the tenth annual convention of the Association of Life Insurance Presidents recently held in New York, Alfred Hurrell, associate general solicitor of The Prudential, dealing with "America First in Life Insurance," gave some interesting figures on the growth of the business, in part as follows:

"There is in force in the United States, on residents therein at the present time, over twenty billions of legal reserve life insurance. In contrast with this, the insurance in force on the lives of the people of Great Britain, Germany, France, Italy, Switzerland, Russia, Austro-Hungary, Denmark, Norway and Sweden, Japan, Australia, New Zealand and Chile, on the last available statistics, was less than sixteen and a half billions. Estimating liberally the insurance carried in countries not enumerated, it is apparent that the United States has more life insurance than is in force elsewhere on the globe. At the end of 1915 the actual insurance carried in American life insurance companies was twenty-two billions, seven hundred millions, but some of this is carried on citizens of foreign countries. In the ten years from 1905 to 1915 the insurance in force in American companies increased just short of ten billions of dollars. The increase now is at the rate of over a billion of insurance a year.

"The per capita insurance in force at the end of 1905 in this country was \$159; at the end of last year it was \$227. In 1905 in England it was \$103, and at the end of 1912 it was \$162. Germany's per capita in 1905 was \$43; in 1914 it was \$60. France only increased its per capita from \$19 in 1906 to \$31 in 1912. Italy had \$6 in 1903, and by 1914 this had increased to but \$7 per person. So it is seen that, compared with the other principal nations, not only is our per capita much higher, but it had a steady annual increase over those countries in the years preceding the outbreak of the European war.

"It is to be noted, also, that while the population of this country increased during the past ten years approximately twenty per cent., the insurance per capita increased approximately forty-three per cent. During that time the increase in life insurance assets kept pace with the increase in our total national wealth, each increasing approximately ninety per cent.

EASY LESSONS.

Jacob A. Jackson, A. M., head of the literary department of the Mutual Life of New York, has put in book form under the title, "Easy Lessons in Life Insurance," a practical course of instruction in this line.

HOME CASUALTY LISTS.

It is officially estimated at Washington that 75,000 persons are accidentally killed in the United States every year. In four years of civil war 67,058 Union soldiers were killed in battle and 43,012 died of wounds. It is further estimated that not less than 2,000,000 people are accidentally injured in the U.S. each year.

In the belief that this tragic record is unnecessarily gruesome, Secretary of the Interior Lane has equipped a special train of twelve cars to visit every State with exhibits, showing how life is lost or menaced, and how it may be preserved. Hardly anything attempted in the way of conservation equals in importance the ends here sought.

If our casualties in a single year, most of them preventable exceed those of a desperate campaign in the present war, in which the machinery of destruction has been brought seemingly to perfection, it must be that we are the most reckless of peoples. Legislation is dealing sharply with the greed that subjects workmen to needless risks, but individual effort must be depended upon in the majority of cases for the better preservation of life and limb. Haste and inattention are largely responsible for disasters almost incalculable.—Insurance Register.

It was thought that a great European war would create almost insuperable difficulties for insurance companies, and many novel problems have arisen, but, taken as a whole, the San Francisco conflagration was a greater crisis for the offices than this world war. Whilst fire, marine, and accident business has prospered, life offices have paid war claims amounting to something like £3,500,000 to £4,000,000, but the claims have not arisen unexpectedly and in the course of a few days, as was the case at San Francisco, when our fire offices had to meet calls amounting to over £12,000,000. The San Francisco disaster was not accompanied by a fall in security values of something like 17½ per cent. however.

BRITISH LIFE COMPANIES AND THE WAR.

British life insurance institutions paid \$37,000,000 in war claims from the beginning of the war to last November, according to S. G. Warner, president of the Institute of Actuaries. The companies are large subscribers to war loans, having invested in British government securities upward of \$375,000,000, and had sold or lent to the Treasury securities with a face value of \$230,000,000.

MAKE YOUR DOLLARS FIGHT AT THE FRONT. BUY DOMINION OF CANADA THREE-YEAR WAR SAVINGS CERTIFICATES

\$ 25.00	FOR	\$21.50
50.00	"	43.00
100.00	"	86.00

INDIVIDUAL PURCHASES LIMITED TO \$1500.

FOR FULL PARTICULARS APPLY AT ANY BANK
OR ANY MONEY ORDER POST OFFICE

JAN. 9, 1917

FINANCE DEPARTMENT
OTTAWA

The Week's News

Monday, January 22nd.

Artillery activity is still quite spirited at various points in region of Verdun and in Voges Mountains near Chapelotte. British were attacked north of Arras, but Teuton effort was complete failure, as also was another attempt at Polegster wood in Belgium. British were successful in several patrol engagements, taking several prisoners. In East Africa British are rapidly rounding up and completing encircling movement round the Germans.

On Verdun front, on right bank of Meuse, French easily repulsed two attacks. There were also skirmishes in Lorraine and Alsace. Isolated attacks and counter-attacks have taken place in Russia, in region of Friedrichstadt, Baranovitchi and Kovel, with neither side attaining any important results.

In Roumania belligerents are virtually at standstill, there having been only minor engagements on various sectors.

Six allied submarines are reported at Bermuda Pass.

J. G. H. Bergeron, postmaster of Montreal dies.

Tuesday, January 23rd.

Bulgarians in northern Dobrudja have crossed southern estuary of Danube near Tultcha and have maintained themselves on north bank against Russian attack. This brings invaders closer to Bessarabian front. Elsewhere, in Rumania there has only been continuation of small isolated engagements mainly by outposts. On Russian front, in regions of Lak, Kuggerion and near Kalzen in Riga sector, Germans were repulsed by Russians. Bombardments in France and in Austro-Italian theatre. British entered German trenches northeast of Neuville St. Vaast and repulsed two enemy attempts between Armentieres and Ploegsteert. Six German airplanes were brought down during day by French airmen and aircraft guns. Positions behind German lines were also bombarded.

In engagement between British light naval forces and German torpedo boat destroyers, in North sea, one German destroyer sunk, and one British torpedo exploded.

German sub sinks a Norwegian, a Danish, and a Swedish ship.

Greek shippers agree with British Government's proposal of chartering Greek cargo boats.

Austria is taking drastic steps to avert "imminent bankruptcy."

General strike has broken out in Saragossa, Spain. Fire destroyed cut stone plant worth \$250,000 at Lyall, Man.

Wednesday, January 24th.

Aerial activity has increased on western front in last two days, and thirteen German airplanes were driven down by British and French. Aviator Guynemer bringing down his 26th. French made series of successful raids in regions of Chilly, Woevre, and Seille. They repulsed two attacks and British defeated German effort with ease, besides entering enemy's trenches southeast of Ypres. Bulgarian forces which crossed Danube opposite Tultcha were annihilated by the Russians. Germans achieved a success in one region of the Riga front, driving Russians back a mile and half between swamps and River Aa. Elsewhere in eastern theatres Teutonic efforts failed.

Britain gives \$10,000,000 for aviation training in Canada.

1,430 German newspapers and periodicals have ceased to publish.

Mr. Bonar Law replies to President Wilson's speech.

Lieut.-Col. Gorrell, M. D., found dead in London, England, after purchasing poison.

Saskatoon farm sold for \$300,000.

Thursday, January 25th.

Big battle between Germans and Russians over marshes southwest of Riga continues unabated.

Petrograd admits that southeast of river Russians have had to fall back third of mile, but says attacks by the Germans on the marsh were repulsed. Aside from this battle fighting in various other theatres continues to be carried out mainly by artillery and small reconnoitering and raiding parties. In Roumania the extremely cold weather has virtually put an end to operations for moment. Lively fighting has taken place in famous Dead Man Hill in Verdun region of France. Reciprocal artillery duels, which have reached considerable proportions at several points, are being fought from Swiss frontier to North

Sea. French and British were each successful in raids. Two enemy airmen were brought down.

Estimating total German losses in war at about 2,000,000, "National Zeitung" of Berlin says that there are available sufficient forces to carry on war for several years.

Turkish agents are reported to be attempting to create trouble in Abyssinia.

Germans demand removal of American and Dutch minister from Bucharest.

Railway rates jumped 15 per cent in France.

Fifty natives were killed and 200 injured in an earthquake on the Island of Bali, Malay archipelago.

Bulgars force Serbian peasants to work under shell fire.

Kaiser has conferred Grand Cross of the Iron Cross on Von Mackensen.

Friday, January 26th.

West of Riga, in Tirul swamp region and along River Aa, Germans and Russians continue at grips in heavy fighting.

Turkish first-line trenches on front of 1,100 yards were gained by British in attacks southwest of Kut-el-Amara. In addition, some second-line positions on right bank of Tigris were taken. West of Hai river, four counterattacks by Turkish troops were repulsed with heavy losses. In west British carried out some successful raids, doing much damage and causing heavy losses. French were engaged in heavy fight all day on Verdun front. Germans attacked on a front of 1,600 metres and were sanguinarily repulsed. There has been little activity on Rumanian front.

50,000 bombs have fallen on Rheims since war began.

World's shipping loses 1,149 ships through war causes.

Fire destroyed Roman Catholic church at St. Louis de Courville, Quebec, worth \$100,000.

Lord Bryce justifies expulsion of Turks from Europe.

Violent earthquake shock rocked city buildings, Montreal.

Canadian Parliament to adjourn for two months.

Toronto and York Patriotic Association and Red Cross funds obtained, as result of four days' whirlwind campaign, \$3,259,928. Objective had been \$2,500,000.

Saturday, January 27th.

Several Allied successes were achieved. British captured a strong position at Le Transloy on Somme. In Mesopotamia they have recaptured their lost trenches near Kut-el-Amara on the Tigris River, the Turks suffering heavily and failing in counterattacks. Half a dozen successful raids were carried out by the British and French in west, prisoners being brought back each time. In Moldavia the Russians and Rumanians have assumed the offensive and smashed Teuton line on a two-mile front. These successes are admitted by Germany. Fourteen German airplanes were driven down or destroyed in air by British and French aviators, besides German organizations behind lines being shelled.

British auxiliary cruiser Laurentic sunk by sub. Germans lose a sub off Norwegian Coast.

COPRA IN BAHAMA ISLANDS.

In the opinion of Sir William Lever, of Lever Bros., England, expressed in a communication some months ago to the Governor of the Bahama Islands, there will be "an ever-increasing demand for copra oil, and the West Indies would be on sure and safe ground in planting coconuts and making copra." He estimates that the people of the United Kingdom will in the near future increase their consumption of margarine, and he believes the people of the United States will also show an increased demand.

CANADIAN PRODUCE ASSOCIATION CONVENTION.

The fifth annual convention of the Canadian Produce Association is dated for February 6th and 7th at Freeman's Hotel, Montreal, when the committees for 1917 will be appointed and reports of the various officers and committees will be read. Addresses will be delivered by many prominent members of the produce trade dealing with the question of producing and handling eggs, butter and poultry.

Empire Cotton Mills Welland, Ontario Limited

Manufacturers of

Textiles, Sail Duck,
Bag Cloths

and

Seamless Bags

Write for Quotations

BRITISH DYES LIMITED MAKES REMARKABLE PROGRESS.

In a recent number of The Journal of Commerce we stated that the British Dyes Limited had issued 111,829 one pound shares, forming the balance of the unallotted shares of the original issue. This is somewhat misleading. According to later advices we are informed by the firm in question that their share capital issued to date is £925,663, leaving £74,337 still to be taken up on the first issue of £1,000,000. When the whole of the above balance of £74,337 has been taken up, the company will have available share and loan capital of £2,200,000.

The progress that has been made by the British Dyes, Limited, since it came into existence after the outbreak of war, is very satisfactory. The British dye making industry which amounted to only a few isolated firms three years ago, is now able to supply a considerable proportion of the dyes used throughout the British Empire. The larger portion of this trade in dyes is accounted for by the firm of British Dyes, Limited, which, under Government support, is forging ahead at a remarkable rate. With the influx of workers into Huddersfield, that city has grown to nearly double its size. New buildings are constantly going up until the area of the company's plant alone is about seven miles in length at the present time.

Before the war there was no incentive to invest in dye manufacture, as Germany controlled the color industry of the world so completely that profitable competition was impossible. With the German products shut off from the world's markets the British people have seized the opportunity afforded them, and in an incredibly short space of time have built up an industry of a permanent nature, destined to compete favorably with enemy goods in British and Colonial markets after the war. In this our industry differs from the American. In the United States the dye manufacturing plants are of a temporary nature only, built with the idea of closing down as soon as the German goods reappear on the markets, and the American makers are no longer able to command exorbitantly high war-time prices.

The chief difficulty alike in the American and British color industries is to produce enough dyes to supply the demand. The labor problem in Great Britain is a serious drawback. Women are being employed to a great extent, but in the case of such processes as are usually carried on by men the makers are meeting with almost insurmountable obstacles. The chemists are for the most part young officers in the army, who by special arrangement, drill their men at night and work in the laboratories by day.

An equally grave hindrance to the production of dyes is the fact that the explosive makers have the first right to the raw materials, the dye manufacturers being limited to whatever is left. After the war the immense capacity of the British coal tar factories will form the source of an almost unlimited supply of the basic chemicals, but for the present the dye makers have to content themselves with such amounts as can be spared from the munition works.

The supply of colors thus being less than the demand, the British Dyes, Limited, sell only to shareholders. Being under Government support the speculative element has been done away with, and although the price of dyes as quoted by this firm is many times the original German price, it is still but a fraction of the figures asked by private concerns in both Great Britain and the States.

The Sensational Year in Drug and Chemical Trade

Market Characterized Alike by Heavy Declines and Sharp Advances

Reviewing the drug and chemical trade of the United States during the year just closed, the outstanding feature appears to be the progress made by American manufacturers in producing profitably many lines that formerly came exclusively from Germany. These satisfactory conditions also apply to the relatively infinitely small Canadian market. Prices in the majority of cases have tended to rise, although as our list of comparative values shows, declines are also to be found in many instances. Although the year's business contained many developments of a sensational character, at no time was there any of the great excitement which prevailed following the outbreak of the war, but there were many periods of decided activity during which prices changed rapidly.

Quicksilver Spectacular.

Developments in quicksilver during the year were of a spectacular nature. It rose violently only to fall back still more violently. At the end of 1915 quicksilver stood at \$145 per flask of 75 pounds, having risen from \$37.50, the latter price ruling at the close of July, 1914. The consumption greatly increased when hostilities commenced. England placed quicksilver under embargo. Manufacturers of explosives in this country became heavy buyers of the domestic liquid metal. In the spring of 1916 quicksilver mounted in this market to \$300 per flask. Manufacturers who were supplying the Allies with munitions appealed to the British Government and shipments of quicksilver were sent to this country. With the withdrawal of the largest consumer from the market weakness soon developed. Prices fell in a sensational fashion. At the close of 1916 quicksilver was available at \$80 per flask, showing a decline of \$220 from the high record established last March.

Slump in Phenol Products.

Phenol derivatives of importance have shrunk very noticeably in price after advancing decisively. As early as June it was predicted that salicylic acid, which was then selling at \$3.40 per pound, would decline very sharply before the end of the year. This prediction subsequently found verification in the event, for by the middle of November the market had fallen to \$1.20 per pound. Salol, which was quoted on June 1 at \$8 per pound, has since steadily declined to \$2.40 per pound, and sales were reported to have been made in isolated instances late in the year at still lower figures. Sodium salicylate, which was bringing \$3.50 per pound at the opening of June, has declined to \$1.10, while methyl salicylate has dropped from \$2.50 per pound on June 1 to \$1.15 @ \$1.20 a pound. Further reductions are expected by some in the trade, as prices are still far above normal.

Marked Rise in Camphor.

Refined camphor moved upward very sharply, the rise during the second half of the year amounting to 34½c. The highest prices on record, with one exception, established since the Civil War, were recorded. This exception was the period covering the Russo-Japanese war, when the market rose to the neighborhood of \$1.50 per pound. Still further advances are expected by some in the trade, as crude camphor in Japan rose again recently. Glycerine sold at high prices throughout the year, with demand for both the chemically pure and dynamite grades, consumption of the latter among manufacturers of explosives being heavy. In addition, crude material is still scarce and high in cost.

Increase in Production of Synthetic Dyes.

In the United States 35 or 45 companies are manufacturing coal tar intermediates, of which they are selling nearly 20,000 tons a year in the open market. Manufacturers engaged in making dyestuffs from coal tar derivatives have already demonstrated their ability to produce those dyes in most general use and they have assured Congress that practically everything imported from Germany can be made here. After the war is over the German chemical works undoubtedly will make strenuous efforts to recapture the American market and will have the support of their government in selling at whatever prices it may be necessary to quote in order to kill this infant American industry. In response to these representations Congress passed an anti-dumping law last year which does not meet their requirements. The Canadian anti-dumping law is simpler and has proved highly effective.

High prices have, however, been the order of the day in spite of the increase in the production of synthetic dyes.

The arrival of the submarine Deutschland at Baltimore with synthetic dyes of German manufacture created a sensation in dye and color circles, but apparently it had little influence as a market factor. Reported to have brought over fully 1,000 tons of German dyes, the estimated size of the cargo gradually dwindled to about 200 tons. For a time business in domestic synthetic dyes was checked by the arrival of German colors, but this was only a temporary influence. The second voyage to this country of the same vessel had no effect upon the domestic dye market, as little of a definite character was ascertained as to the nature of its cargo of dye materials. Natural dyes were in good demand during the year at good prices.

Violent Fall in Bromides.

Early in the summer of 1916 the drug trade was stirred by a decidedly sensational cut in the price of bromides. It was announced by the old and leading manufacturers. The high altitude to which the war and speculative purchasing carried prices encouraged new manufacturers to enter the field. With a view of discouraging these new manufacturers, especially two well-known out-of-town manufacturing chemists, from continuing in the field, the older makers announced a reduction in prices of all bromides which was so severe as to create a very pronounced stir throughout the trade. Speculators in these commodities undoubtedly suffered severe losses as a result of the action of manufacturers.

Essential Oils Scarce.

Some essential oils of foreign production are in decidedly small supply, and this stringency is reflected in prices unprecedentedly high. That they are likely to remain scarce and high for some time to come, regardless of political developments in Europe, is the opinion of some well-known members of the essential oil trade. As a result of this scarcity and also because of the high cost and smallness of supplies of many crude materials used in the distillation of oils the market as a whole displayed noticeable firmness much of the time throughout the year. Rose oil has latterly advanced and exhibits an inclination to rise still further. Oil of juniper berries is one of the articles which has almost disappeared from the market, only one or two quarters apparently having supplies.

Flurry in Chlorate of Potash.

In the fall of 1916 chlorate of potash forged to the front as a speculative feature. For a time there was a flurry in this salt. In October the prices advanced sharply. The rise was due largely to reports that the contract price for 1917 delivery was about to be named by the manufacturers' agents and rumors were persistent that it would be much higher than the contract figure for 1916. Speculators bought freely. Another factor in the speculative operations was a report that the Russian Government was in the market for large quantities of chlorate of potash and was prepared to pay high prices for it. This rumor also stimulated the demand from speculators. Later on manufacturers named the contract price for 1917 chlorate of potash and when it was found that there was no change from the 1916 basis the market weakened.

Opium Advancing Steadily.

The fact that New York practically controls the trade of the world in druggists' opium, has been a steady factor in regard to prices. Nevertheless, the market has been advancing gradually and now is at the highest point known since the Civil War. Most of it comes from the Turkish provinces which are involved in war and great uncertainty prevails as to the possibility of securing adequate supplies when the present stocks are exhausted, if the war lasts much longer.

The opium grown in India and commonly used as smoking opium by the Chinese contains a much lower morphine content, but the British Government may encourage its cultivation temporarily in order to provide a substitute for the Turkish opium should the scarcity affect the well-being of the armies in the field. In military surgical practice opium is as indispensable as ether and chloroform.

Increased Consumption of Natural Indigo.

All reports agree that consumption of natural indigo is now running at a pace larger than at any time

in recent years. The natural indigo varies in price according to grade and the range extends from \$2.50 to \$4.00 per pound which compares with \$1.99 @ \$2.00 per pound for 20 per cent. synthetic indigo. The increase in the demand for synthetic indigo has been because of the scarcity of the synthetic substitute which is still in light supply. The increasing volume of shipments of the natural product are indicative of a return of prosperity to Indian planters who since 1914 have again turned their attention to the natural.

Price Comparisons.

The following table appeared recently in the New York Journal of Commerce, showing the wide fluctuations in the prices of drugs and chemicals during the past two years:

	Dec. 30, 1916.	Dec. 31, 1915.	July 31, 1914.
Quinine, oz.	\$0.55	\$0.75	\$0.26
Opium, lb.	13.50	11.00	7.45
Morphine, oz.	7.00	5.35	4.70
Cocaine, oz.	8.25	6.75	5.50
Acetphenetidin, lb.	20.00	14.50	.80
Acetanilid, lb. . . . .	.50	1.10	.20½
Salol, lb.	2.40	9.25	.65
Alcohol, grain, gal.	2.72	2.66	2.52
Do., denatured, gal. . . . .	.65	.51	.34
Do., wood, gal. . . . .	.90	.55	.45
Antipyrine, lb.	17.00	30.00	....
Bromide, potash, lb.	1.35	.65	.37
Bromine, U. S. P., lb.	1.50	6.00	....
Caffeine, lb.	11.00	11.60	3.65
Chloral, lb.	1.28½	1.30	.29
Coumarin, lb.	10.75	7.00	3.15
Glycerine, C. P., lb. . . . .	.55	.55	.19½
Do., nitro, lb. . . . .	.52½	.50	.19½
Chloroform, lb. . . . .	.60	.60	.21
Blue pill, lb. . . . .	.62	.84	.40
Calomel, lb.	1.43	1.61	.60
Naphthalene, lb. . . . .	.09½	.13	.02¾
Codliver oil, bbl.	115.00	80.00	17.00
Menthol, lb.	3.20	3.25	2.95
Castor oil, lb. . . . .	.19	.16	.08½
Quicksilver, flask	80.00	145.00	37.50
Saccharine, lb.	19.50	13.00	1.15
Strychnine, oz.	1.10	.70	.40
Thymol, lb.	10.00	12.00	2.75
Aniline oil, lb. . . . .	.25	1.00	.10½
Gambier, lb. . . . .	.11½	.18	.04½
Indigo, Bengal, lb.	3.55	3.50	.85
Soluble blue, lb.	1.00	1.30	....
Acetate lime, 100 lbs.	3.50	6.00	1.50
Acetone, lb. . . . .	.22½	.40	.11
Acetic acid, 100 lbs.	3.50	6.00	1.50
Salicylic acid, lb.	1.00	4.00	.22½
Carbolic acid, lb. . . . .	.52½	1.45	.07¾
Sulphuric acid, 100 lbs.	1.50	1.50	.90
Oxalic acid, lb. . . . .	.47	1.50	.07¾
Muriatic acid, 100 lbs.	1.75	1.75	1.15
Picric acid, lb. . . . .	.75	1.50	....
Tartaric acid, lb. . . . .	.66	.52	.30½
Citric acid, lb. . . . .	.65	.59	.53
Blue vitriol, lb. . . . .	.14	.15½	.04½
Saltpetre, lb. . . . .	.31	.35	.05
Potash, bichromate, lb. . . . .	.42	.45	....
Potash, chlorate, lb. . . . .	.67	.48	.08
Do., prussiate, yel. lb. . . . .	.92½	.90	.12½
Do., prussiate, red, lb.	2.50	7.00	.30
Do., permanganate, lb.	2.75	1.60	.08¾
Do., caustic, lb. . . . .	.85	.65	.04
Do., muriate, ton	450.00	450.00	39.07
Soda, benzoate, lb.	8.25	3.50	.24
Do. prussiate lb. . . . .	.55	.68	.11
Do. salicylate lb.	1.10	4.00	....
Do., chlorate, lb. . . . .	.28	.50	.08½
Do., caustic, 100 lbs.	4.50	5.25	1.80
Soda ash, 100 lbs.	3.00	3.00	.75
Balsam Peru, lb.	3.45	5.25	1.40
Buckthorn bark, lb. . . . .	.20	.50	.20
Cinchona bark, lb. . . . .	.25	.26	.10
Almond oil, lb.	13.00	7.25	3.35
Caraway oil, lb.	3.25	2.00	1.35
Cinnamon oil, lb.	20.00	15.00	6.25
Bergamot oil, lb.	6.00	3.35	5.00
Clove oil, lb.	1.20	1.40	1.00
Juniper oil, lb.	16.00	4.25	.70
Sandalwood oil, lb.	10.50	6.50	4.65
Wintergreen oil, lb.	1.10	3.25	.27½
Gum arabic, lb. . . . .	.15½	.22½	.09¾
Gum asafoetida, lb. . . . .	.85	.65	.23
Belladonna leaves, lb.	1.40	1.50	.50
Digitalis leaves, lb. . . . .	.45	.50	.07¾
Henbane leaves, lb.	3.25	....	.10
Sage, lb. . . . .	.70	.50	.03¾
Dandelion root, lb. . . . .	.27	.25	.10½
Belladonna root, lb.	4.00	....	.10
Doggrass root, lb.	1.00	.85	.06
Ipecac root, lb.	2.20	3.25	1.40
Valerian root, lb. . . . .	.75	.50	.07

COMMODITY MARKETS

Week's Wholesale Review

Trade conditions in general continue to improve, although the heavy fall of snow with zero weather throughout the province has been a deterrent factor in many cases. Freight in particular has been interfered with resulting in an embargo on all goods destined to Montreal with the exception of munitions, coal, petroleum and perishables.

The dry goods trade is in a satisfactory condition, as travellers on the road are meeting with very fair success. Merchants throughout the country are more concerned with the question of getting the goods than the ever advancing prices. Textile mills are all busy.

The shortage of soft coal and coke is becoming serious and a number of mills and foundries have had to close down owing to the scarcity of fuel. Labor and iron supplies are also reducing their output to below capacity. Pig iron quotations are very high. Hardware men report advances in the price of most lines of shelf goods, heavy hardware and builders' materials, though the demand for the latter is far from heavy.

The green hide market is active and firm. Leather is also strong but quiet—a certain amount of export enquiry for sole leather is reported. Lambskins are in good demand at advanced prices. Business in boots and shoes is quiet as retailers appear to be well stocked up after their heavy buying last fall.

Orders for lead, oils and paint are coming in more freely for future delivery at advanced prices. Retail furriers are profiting by the recent cold weather which has produced an active demand. Commercial failures in the Dominion of Canada this week numbered 19, as against 34 last week and 40 the same week last year.

DAIRY PRODUCE.

BUTTER.—The demand for butter is principally of a hand to mouth character as prices are so high that many dealers consider further advances unlikely. On the other hand some holders of finest September and early October are not offering just now, as they claim that that class of goods is becoming very scarce and will sell at a big premium between now and next May. There is no demand as yet from outside sources but we look for some in February.

English advices report a decline of 3s to 4s per cwt. for finest creamery butter, which has been brought about by the practice of economy which has limited the demand. Large shipments of colonial butter were landing and about due, and as the demand for these goods was slow prices were weak at 20s to 20½s for finest Australian salted. Imports of Australian and New Zealand butter into London and the outports for the year ended December 31, 1916, amounted to 995,226 boxes as compared with 1,425,442 boxes in 1915 and 1,612,273 boxes in 1914.

CHEESE.—There is practically no Canadian cheese offering on this market at present, the trade consisting of states goods for which there is a good demand from abroad. There is hardly enough Canadian cheese on the market to form the basis of quotations, but sales of what little cheese has been offering have been put through at as high as 26½ cents for choice fall western. Quite a few sales of American cheese have been made, further business being limited to the lack of ocean freight obtainable. The Liverpool cable advanced against last week with both Canadian white and colored cheese now quoted at 14½s. Late mail advices from London say that the trade is in a very unsettled condition, pending the decision of the Government in commandeering New Zealand cheese, also the price at which they intend to pay for the output this season. The imports of cheese from New Zealand were 579,836 crates for the year 1916, against 512,724 crates for 1915; 570,834 crates for 1914.

Butter:—
Choice Fall Creamery Solids 0.43 0.43½
Winter Creamery 0.42 0.42½
Undergrade Creamery 0.40 0.41½
Dairy butter 0.37½ 0.38
City Selling Price to grocers:
Creamery, Solids 0.44 0.45
Do., Prints 0.45½
Do., No. 2 0.43
Do., Prints 0.42½
Finest Western 0.25½ 0.26
Cheese:—
Finest Western 0.25½ 0.26½

Fine Eastern 0.24 0.24½
Winter Make 0.20 0.23
City Selling Prices to grocers:
Stilton cheese 0.26 0.27
Large 0.25 0.26
Twins 0.25½
Quebec Cheese 0.25
Canadian Strong Cheese 0.26 0.27
Roquefort 0.65

GROCERIES.

No outstanding features were reported in grocery circles last week. A further decline of 10c took place in the price of sugar on Saturday last making a total decline of 20c during the past ten days. No. 1 granulated is now quoted at from \$7.20 to \$7.30 in bbls. The easy feeling in the market is attributed partly to speculation on the new crop. The volume of the Cuban cane crop, however, will fall considerably short of first estimates according to latest advices notwithstanding the enormous tonnage of available cane and the fact that 16 additional mills will probably grind. The new crop molasses is arriving in dribbles. Space on the steamers is hard to get. The market is ruling strong as the Barbadoes crop is not reaching expectations. Quotations are made at 58c for new fancy Barbadoes molasses and 55c for second vessel. The recent attempt made by the Barbadoes merchants to bring about new selling conditions in this market has apparently failed. The shippers naturally felt that Montreal buyers should shoulder part of the war risk on insurance and increased freight rates, but business appears to have again reverted to the old basis.

Canned goods are in fair demand with a firm undertone to the market although concessions from the quoted price are made here and there. Since the recent advance supplies of soap have been hard to get owing to freight congestion, and scarcity of raw materials, etc. The market is consequently firm at the higher prices. Beans are still firm. Lima beans have advanced in New York owing to a heavy demand and light stocks. Canned Lima beans went up 15c in this market last week. All lines of imported goods are advancing in price and supplies are difficult to get, owing to higher freight rates, insurance, etc. Spices are very firm in the primary markets and these conditions are likely to be reflected in this market in the future. Black and white peppers are quoted on an equal basis. Teas are high priced and tend to go higher. Supplies are shorter, demand greater and shipping conditions at their firmest so far.

Sugar prices to-day are as follows:

	100 lbs.
Atlantic, St. Lawrence and Canada Sugar	
Companies, extra granulated sugars, bbl.	7.30
Acadia Sugar Refinery, extra granulated	7.20
Wallaceburg sugar	7.20
Special icing, barrels	7.30
Yellow, No. 1, per bag	6.85
Powdered, barrels	7.35
Paris lumps, barrels	8.00
Crystal diamonds, cartons	8.50
Assorted tea cubes, boxes	7.85

PROVISIONS.

The outstanding feature in the trade in pork products during the past week has been the higher price of live hogs. The Toronto market has touched 14¼c live weight and Montreal has reached 15c, which are record prices even in this era of inflated values. Dressed hogs are bringing \$20.50 to \$21 per 100 lbs., a rise of 50c for the week. These prices have naturally created a very firm feeling in live hogs. Lard is in good demand, and as the production is less at this season there is a firm undertone to the market. The export demand continues heavy.

Current prices are as follows:

	Per lb.
Hams: —	
Smoked Hams, 8-14 lbs.	0.26
Do., 14-20 lbs.	0.24
Do., 20-25 lbs.	0.23
Do., over 25 lbs.	0.22
Bacon: —	
Breakfast	0.28 0.30
Windsor Bacon, selected	0.27
Windsor Bacon, boneless	0.32
Barrel Pork: —	
Short cut pork	38.00
Clear Fat Pork	40.00
Mess Pork	37.00
Bean Pork, American	35.00
Plate Pork, 200 lbs.	32.00

Pure Lard:—
Tierces 0.21½
Tubs 0.21¾
Pails 0.22
Tins 0.22
Cases, 3, 5, 10's 0.22½
Prints 0.23
Compound Lard:—
Western Grades:—
Tierces 0.17¼
Tubs 0.17½
Tins 0.18
Cases, 3, 5, 10's 0.18½
Prints 0.19
Cooked meats:—
Roast shoulder pork 0.29
Roast hams, boneless 0.37
Cooked hams, boneless 0.37
Cooked hams, rind off 0.37
Head cheese 0.09
English brawn 0.11

LIVE STOCK.

MONTREAL: Offerings for sale at the Montreal live stock yards last week amounted to 1,300 cattle, 500 sheep and lambs, 1,700 hogs and 400 calves. Owing to the stormy weather receipts of good butchers' cattle were very limited, and as the demand was good prices advanced 25c a cwt. at Monday's sale and held firm at the new level on Wednesday. Canning cattle were in good demand at firm but unchanged prices. Sheep showed marked strength, advancing \$1.00 a cwt. owing to the limited supplies offering. Hogs continued to advance, prices scoring a further rise of 50c to 75c per 100 lbs. Calves were very firm and in fair demand.

TORONTO: Prevailing stormy weather interfered with supplies of live stock arriving on the Toronto market. Receipts were considerably lighter than usual, amounting to 4,243 cattle, 660 calves, 10,873 hogs and 1,534 sheep and lambs. Prices of cattle advanced 25c a cwt., the top price touched being \$10.90 per cwt. In spite of the light receipts of cattle, the average quality was fairly high. All grades of stockers and feeders were steady. Canners and cutters were strong. Choice veal calves were scarce and there was a firm demand for calves of good quality. There was also a keen demand for good quality sheep and lambs at advancing prices. Hogs secured further advances over the record breaking prices of the previous week. The market was strong at \$14.00 to \$14.25 although sellers received \$14.50 in some cases.

Current prices in carload lots are as follows:

	Montreal.		Toronto.	
	Per cwt.		Per cwt.	
Butcher steers, best	10.25	10.50	10.00	10.50
Do., good	9.75	10.00	9.25	9.75
Do., fair	9.25	9.50	8.75	9.50
Do., medium	8.25	8.50	8.25	8.75
Do., rough	7.75	8.00	6.25	6.75
Butchers' cows				
Choice	8.00	8.25	7.00	7.75
Do., good	7.50	7.75	6.00	6.50
Do., fair	7.00	7.25	5.00	5.50
Butcher bulls, best	8.75	9.00	7.50	8.50
Do., good	8.25	8.50	6.75	7.25
Do., medium	7.75	8.00	5.75	6.50
Canners' cattle, bulls	5.60	5.75	4.25	4.50
Do., cows	4.85	5.00		
Heavy Sheep	8.75	9.00	7.50	9.00
Light Ewes	9.25	9.50	9.50	10.00
Culls	8.75	9.00	5.00	6.00
Lambs	13.00	13.50	14.50	15.00
Calves, milkfed	9.00	11.00	13.00	14.00
Do., grassfed	5.00	7.50	5.00	6.00
Hogs, selects, weighed				
Do., heavy				
off cars	14.25	14.50	14.25	14.50
weights	13.65	13.75	14.00	14.25
Sows	12.25	12.50		

RECEIPTS OF BUTTER, CHEESE AND EGGS.

The following table shows the receipts of butter, cheese and eggs in Montreal for the week ending January 27th, 1917, with comparisons:

	Butter,	Cheese,	Eggs,
	pkgs.	boxes.	cases.
Week end, Jan. 27, 1917	1,314	2,420	677
Week end, Jan. 20, 1917	1,541	4,369	563
Week end, Jan. 29, 1916	676	1,040	4,754
Total receipts May 1, 1916			
to Jan. 27, 1917	496,793	2,224,240	628,428
Total receipts, May 1, 1916			
to Jan. 29th, 1916	396,067	1,992,696	525,680

Directors of Canada Foundries and Forgings met recently and declared the regular quarterly dividend of 3 per cent and usual bonus of 3 per cent.

FLOUR, CEREALS AND MILLFEED.

The outstanding feature in the flour trade is the advance of 40 cents to-day (Monday) making \$9.60 per bbl. for first patents. There has been no change in prices for some weeks during which time wheat prices although fluctuating within a wide area have worked down to a materially lower level. Buyers of flour appear to have stocked up heavily on the advancing market last autumn and consequently are taking but little interest in to-day's declining prices. The irregular conditions in freights are a serious hindrance to outgoing goods. After the recent embargo on the railways in the west the mills are now contending with a further embargo at Montreal, where a great deal of rolling stock has accumulated owing to heavy snow storms. The railways have proposed an increase in the minimum of grain and grain products for export as well as domestic shipment on account of the car shortage and general transportation difficulties. No definite steps have been taken to date. The minimum amount of flour carried in mixed car lots to-day is 40,000 lbs., and it is proposed to increase this considerably.

The export trade, in spite of a good enquiry from the United Kingdom, is seriously hindered by the lack of ocean freight space. Where space was obtainable sales were put through amounting to 4,000 and 5,000 sacks. Prices bid for Canadian export standard were 6d lower than the previous sale, but millers were in a position to accept them on account of the lower prices for wheat.

Latest quotations offered by the shipping companies for March shipment are 75c as compared with 55c hitherto. Winter wheat flour remains unchanged. As stocks are low the situation depends on how long the railway embargo continues to keep new supplies from coming in.

The demand for millfeed is very good and the mills are generally oversold. Shorts are worth \$39 per ton in straight oats and bran \$34.

On account of inability to secure ocean tonnage, the price of rolled oats was cut in certain quarters as related last week. The market appears to have recovered its former strength during the last few days, and prices are now quoted at \$3.40 to \$3.55 per 90 lb. bag.

Current quotations are as follows:

	Montreal.	Toronto.
	Per 90-lb. bag.	
Flour:		
First patents	4.80	4.75
Second patents	4.55	4.50
Strong Bakers	4.45	4.40
Feed Flour	2.85	2.80
Winter wheat flour, 90 per cent.	4.10	4.25
Cereals:		
Rolled Oats, 90-lb. bag	3.40	3.55
Oatmeal, 98-lb. bag	3.80	3.80
Rolled wheat 100-lb. b.	3.60	3.60
Bag	4.95	4.95
Rye flour, 98-lb. bag	3.75	4.00
Feeds:		
Bran	33.00	34.00
Shorts	36.00	37.00
Middlings	38.00	41.00
Moullie, pure grain grades	46.00	50.00
Do, mixed	44.00	47.00
Barley feed	41.00	41.00
Crushed Oats	45.00	45.00
Oatfeed	46.00	46.00
Hay, No. 2	13.00	11.00

An extra charge of 30c is made for flour in barrels.

FISH AND OYSTERS.

The demand for fish at the present time far exceeds the supply, and stocks in producers hands have never been so low. The weather has been very stormy at the coast which has interfered alike with the boats at sea and the movement of fish at shipping points. Consequently there is very little fresh fish arriving besides small quantities of haddock and codfish. The latter varieties are so scarce that prices have advanced this week to record figures. In frozen lines, supplies seem to be large enough to meet the demand. In pickled and salt fish lines, just at the moment trade is without special feature, but holders of stocks appear to be confident that prices will not weaken. Smoked fish such as haddies and bloaters are in good demand and are selling at normal prices. Haddies are in fair supply but fillets are extremely scarce and from present indications prices will probably advance on these fish in the next week or two. Kippers are scarce and high and will remain so until the arrival of the new fish. Green cod are very scarce, and prices are firm with an upward tendency. Tommy Cods are in short supply with a brisk demand to meet. The bulk and shell oyster trade is comparatively quiet as is always the case after the holiday season, and no revival is expected for sometime.

Canada Permanent Mortgage Corporation

ANNUAL MEETING

The Annual Meeting of Shareholders of the Canada Permanent Mortgage Corporation was held at the Head Office of the Corporation, Toronto Street, Toronto, on Friday, January 26th, at twelve o'clock noon.

The President, Mr. W. G. Gooderham, occupied the chair, and the Secretary, Mr. George H. Smith, having been appointed Secretary of the meeting, read the Report of the Directors for the year 1916, and the Statement of Assets and Liabilities, which are as follows:

REPORT OF THE DIRECTORS.

The Directors of the Corporation have much pleasure in presenting to the Shareholders the Annual Statement of the Corporation's business for the year 1916, to which is appended the certificate of the Auditors.

The net profits for the year, after deducting interest on borrowed capital, expenses of management, all charges and losses, War Taxes and sundry contributions to Patriotic Funds, amounted to.....\$ 866,126.44
The balance at the credit of Profit and Loss at the beginning of the year was 179,525.83

Making the total sum available for distribution\$1,045,652.27

This amount has been appropriated as follows:

Four quarterly dividends of Two and One-half per cent, each on the Capital Stock\$ 600,000.00
Transferred to Reserve Fund 250,000.00
Balance carried forward at credit of Profit and Loss 195,652.27
\$1,045,652.27

All which is respectfully submitted.

W. G. GOODERHAM, President.

Toronto, January 10th, 1917.

GENERAL STATEMENT.

LIABILITIES

Liabilities to the Public.

Deposits and Accrued Interest\$ 6,059,273.52
Debentures—Sterling—and Accrued Interest (£2,323,142 11s. 3d.) 11,305,960.45
Debentures—Currency—and Accrued Interest 3,112,237.01
Debenture Stock and Accrued Interest (£87,865 17s. 2d.) 427,613.84
Sundry Accounts 14,045.72
\$20,919,130.54

Liabilities to Shareholders.

Capital Stock\$ 6,000,000.00
Reserve Fund 5,000,000.00
Dividend Payable 2nd January, 1917 150,000.00
Balance carried forward at Credit of Profit and Loss 195,652.27
\$11,345,652.27

ASSETS.

Mortgages on Real Estate\$27,859,081.70
Advances on Bonds and Stocks 546,052.72
Municipal Debentures, Bonds, British War Loan, Dominion of Canada War Loan, and other Securities 1,615,901.33
Real Estate acquired by Deed or Foreclosure 129,888.53
Office Premises (Toronto, Winnipeg, Vancouver, Saint John, Edmonton, and Regina) 621,855.11
Cash on hand and in Banks 1,492,003.42
\$32,264,782.81

R. S. HUDSON,

JOHN MASSEY,

Joint General Managers.

We beg to report that we have examined the foregoing Accounts together with the books and vouchers of the Corporation, and that we have obtained all the information and explanations we have required. In our opinion the Balance Sheet is properly drawn up so as to exhibit a true and correct view of the state of the Corporation's affairs, according to the best of our information and the explanations given to us, and as shown by the books of the Corporation.

A. E. OSLER,
HENRY BARBER,
Chartered Accountants

Auditors.

Toronto, January 8th, 1917.

On motion of the President, Mr. W. G. Gooderham, seconded by the First Vice-President, Mr. W. D. Matthews, the report of the Directors was unanimously adopted.

The Shareholders, by a unanimous vote, ratified certain subscriptions which the Directors had made to the Canadian Patriotic Fund, the British and Canadian Red Cross Societies, and for other patriotic purposes.

The election of Directors for the ensuing year was then held, and resulted in the unanimous re-election of Messrs. W. G. Gooderham, W. D. Matthews, G. W. Monk, L'eu'y, Col. Albert E. Gooderham, J. H. G. Hagarty, John Campbell, S. S. C., (Edinburgh), R. S. Hudson, John Massey, F. Gordon Osler, and E. R. C. Clarkson.

Messrs. Henry Barber and A. E. Osler were re-appointed Auditors for the current year.

At a subsequent meeting of the Board, Mr. W. G. Gooderham was re-elected President, Mr. W. D. Matthews, First Vice-President, and Mr. G. W. Monk, Second Vice-President.

FREIGHT EMBARGO AT MONTREAL.

Owing to the severe snow storms in the Eastern provinces last week an embargo was declared by both the Grand Trunk and C. P. R. on freights destined for Montreal and vicinity. The embargo went into effect on Thursday, and will be raised as soon as traffic becomes normal. Some very essential commodities such as coal, oil, coke, live stock and munition materials are excepted.

MONTREAL PRODUCE RECEIPTS.

Receipts of the principal commodities at Montreal for the past two weeks follow:

	Week end. Jan. 27, '17.	Week end. Jan. 20, '17.
Wheat, bushels	99,408	186,916
Oats, bushels	141,468	91,115
Barley, bushels	9,643	9,359
Flour, bushels	1,080	7,005
Butter, packages	1,314	1,451
Eggs, cases	677	563
Potatoes, bags	14	16

THE GRAIN MARKETS.

WHEAT: Wheat fluctuated daily last week with a heavy drop at the close, in sympathy with events in diplomatic circles. President Wilson's address on foreign relations threw the market into a nervous condition last Monday, but greater firmness was apparent on Thursday when British official utterances were construed as adverse to an early peace. Gossip concerning the peace terms on which Germany was prepared to negotiate and Petrograd advised that peace without victory was not wholly discredited in Russia added to the weakness that developed in the market on Friday.

Many other factors entered into the situation last week, among which the most influential was the lack of export buying. Export buyers state that they are having too much difficulty in arranging for transportation of wheat purchased on old contracts to care to make new purchases at present. It appears that at present the action in grain values from now on will be more dependent on the transportation developments than on any other group of factors. Embargoes on many railway lines in the U.S. and Canada are reported owing to heavy snow falls. Liberal export clearances had a hardening effect last Wednesday, although the commandeering by the French Government of the Trans-Atlantic Company boats for freight purposes is significant. Shipments of American wheat so far this season have been 206,000,000 bushels, of which a little more than half is understood to have been United States wheat, the balance being Canadian. A revision in the Canadian crops of both last season and of 1915, adding 60,000,000 bushels to last year's yield and 59,000,000 to the previous crop, proved rather discouraging to the bulls, however, especially as the Winnipeg market was weak with evident pressure in the form of liquidation.

COARSE GRAINS: Corn has held up well in the face of the severe decline in wheat prices. An enormous export business is reported, the quantity being limited only by the scarcity of cars to move this grain to seaboard. Reports from Argentina state that 75 per cent. of the corn crop has received irreparable damage. Oats have also shown unexpected strength. A large business is reported for export with indications that much more could be disposed of if transportation problems were normal. Barley like maize has not dropped very much. The demand for this cereal is good but little business can be put through on account of the scarcity of tonnage. The outstanding feature in the past week's hay market was the advice from the Dominion Government that no hay will be required for February. Prices are unchanged but they will likely work down in the absence of demand.

Closing wheat prices are for Chicago, \$1.71 $\frac{1}{4}$ for May and \$1.68 $\frac{1}{4}$ for July as compared with \$1.86 $\frac{1}{4}$ and \$1.53 $\frac{1}{4}$ last Monday. Winnipeg reports \$1.71 $\frac{1}{4}$ for May, \$1.45 $\frac{1}{4}$ for July and \$1.35 for September.

as compared with \$1.86 $\frac{1}{4}$ for May and \$1.83 $\frac{1}{4}$ for July last week.

Grains:		per bushel.	
Spring Wheat Manitoba, No. 1			
Northern	1.85		
Do., No. 2	1.82		
Do., No. 3	1.78		
Do., No. 4	1.58		
Winter Wheat Ontario, No. 2	1.78	1.80	
Oats:			
No. 2 C. W.	0.68 $\frac{1}{2}$	0.66	
Do., No. 3 C. W.	0.66 $\frac{1}{2}$	0.66	
Do., Extra No. 1 feed	0.66 $\frac{1}{2}$	0.66	
Do., No. 1 feed	0.67 $\frac{1}{2}$	0.66	
Do., No. 2 feed	0.66 $\frac{1}{2}$	0.66	
Ontario Oats, No. 2 white	0.64	0.66	
Barley, No. 4	1.14		
Do., Feed	1.03		
Corn, American, ex-track	1.20	1.22 $\frac{1}{2}$	

COUNTRY PRODUCE.

EGGS: Supplies of Canadian storage eggs are practically exhausted, a number of dealers being already out of supplies. Fortunately there are some storage eggs in Western Canada and a number of cars are on their way East from points such as Edmonton, Calgary, Moose Jaw and Winnipeg. It is expected that some Chinese eggs will come on to this market, but not for two or three weeks. The price is not known as yet. The market for eggs at Chicago is fluctuating, storage being quoted on Saturday at 34c to 35c as compared with 37c to 38c the week before. The first lot of new laid is reported to have arrived from the United States, the quality being satisfactory. It is purely a question of supply, demand and weather. Canadian new laid are increasing in supply, but dealers are still paying 55c less express, but it is intimated that a shade lower prices will shortly prevail.

POTATOES: The only potatoes on the market just now are those that have been carried over from last fall. No further stocks are coming in on account of the scarcity of empty cars and the very cold weather, and the result is that what potatoes are in store have gone up considerably. Owing to embargoes and sterns no relief is in sight until the first of the month. The American enquiry for potatoes in the Provinces of Quebec and New Brunswick is good at top prices. Very few potatoes are now being shipped from St. John and Halifax owing to the difficulty of transshipping in the cold weather.

Eggs:—			
Special New Laid	0.55	0.60	
Extras		0.45	
No. 1		0.42	
Potatoes:—			
New Brunswick, Delawares, 90-lb. sacks		2.75	
Ontario, 90-lb. bags		2.50	
Beans:—			
Can. hand-picked car lots		7.30	
Three-lb. pickers		7.20	
Five-lb. pickers		6.75	
Six to seven-lb. pickers		5.00	5.90

CUNARD LINE

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

ANCHOR-LINE
DONALDSON LINE

WESTBOUND:
Glasgow to Portland, Me.
also
Glasgow to St. John, N. B.

EASTBOUND:
Portland to Glasgow
Halifax to Glasgow

For information as to rates and sailings apply to Local Agents or The Robert Reford Co., Limited, General Agents, 20 Hospital Street and 23-25 St. Sacramento Street, Montreal.

17 PASSENGERS KILLED ON CANADIAN RAILWAYS.

According to the annual report of the Railway Commission, tabled at Ottawa, seventeen, of all the passengers carried by Canadian railways were killed last year, and 40 were injured. This is a small number of casualties when compared with the total passenger traffic of 41,551,031 persons. Of the total number of railway employees, 124,142, in the Canadian railway services, some 120 were killed and 788 were injured. By far the greatest number to suffer from railroad accidents were trespassers on the right of way. Of such persons 143 were killed, or 42 per cent of all that class who figured in accidents. As a result of the large number of such fatalities the Railway Commission has been co-operating with the attorneys-general of the different provinces for the strict prosecuting of trespassers on railway tracks.

TORONTO RAILWAY SHAREHOLDERS.

The control of the Toronto Railway Company rests with the shareholders in Montreal and the province of Quebec.

Out of the total of 119,978 shares represented in the division, Montreal and the province of Quebec represents 80,930 shares as compared with 28,213 shares held in Toronto and the rest of Ontario.

The number of shareholders in this province is 1,546, compared with 901 throughout Ontario.

TO INVESTORS

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

DOMINION OF CANADA DEBENTURE STOCK

IN SUMS OF \$500, OR ANY MULTIPLE THEREOF

Principal repayable 1st October, 1919.

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

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

Proceeds of this stock are for war purposes only.

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

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

DEPARTMENT OF FINANCE, OTTAWA
OCTOBER 7th, 1916.