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The Journal of Commerce

MONTREAL, CANADA

VOL. XLVIII, No. 35 GARDENVALE, P. Que., AUGUST 31, 1920 PRICE, 10 CENTS

Hope for Ireland

An Editorial

The State of the Sugar Market

By B. K. SANDWELL

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By OUR OTTAWA CORRESPONDENT

Abundant Crops in the West

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PRINCIPAL CONTENTS

Hope for Ireland

Some shafts of light are breaking through the dark clouds hanging over Ireland. A very representative meeting of men who are described as "moderates" has been held in Dublin. The meeting included not only men who have long pleaded for a liberal scheme of Home Rule, but also many Unionists who in time past have resolutely opposed all Home Rule measures. These freely admit now—pity the admission did not come years ago—that some sort of Home Rule, some readjustment to give Ireland a large measure of self-government, is necessary to put an end to the present sad state of affairs. With that acknowledgment as a basis, they ask the British Government to co-operate in a new effort, through a representative convention of all classes of Irishmen, to prepare a Home Rule measure which will commend itself to Ireland and to the Empire. The Home Rule Act which is now on the statute book, and which was held in suspense on account of the war, is admitted by all to be no longer adapted to the Irish situation. Some other plan is necessary. The Government have brought forward a new bill, unquestionably an honest effort to deal with the problem, but one which finds small favor anywhere.

The existing law and the one proposed are alike condemned. Something else is required. What shall it be? The Sinn Fein leaders have no hesitation in answering the question. They declare that an independent Irish Republic is the only thing that will now satisfy Ireland. The moderates who assembled last week in Dublin frankly admit that such a settlement of the question is impossible. To persist in demanding an Irish Republic is to condemn Ireland and the Empire to a continuance of the present deplorable state of affairs. Rather than that the moderates are ready to recommend and support a measure that will give Ireland something like the Home Rule that the Dominions enjoy, in fact independence in all but a few things in which the safety of the Empire requires unity of action.

On such a ground almost all Irishmen who are not leaders of the Sinn Fein movement should be able to unite. These leaders will continue to say that nothing but an Irish Republic will meet the situation. But it is by no means clear that, under the new conditions proposed, the mass of the Irish people will adhere to Sinn Fein. When it is made clear that all parties are willing to give Ireland such a liberal measure of Home Rule as the Dublin moderates suggest, it is more than probable that many of the Irish Catholic clergy will advise acceptance of such a measure and that their advice will be followed.

The Mennonites

When the Mennonites, a group of people whose views are much akin to those of the English Quakers, proposed many years ago to settle down in Manitoba, they asked exemption from military service, in accordance with their known objections to war. They received from the Canadian Government of that day an assurance that their convictions on that subject would be respected. This agreement has been fulfilled with regard to them and their children. Canada has kept faith with them. Recently they have desired something more. Manitoba, prolific in school questions, has required all her citizens to submit to the educational laws of the Province. Concessions loosely allowed to some groups of foreigners having produced trouble, the Government have been applying the general regulations more strictly than formerly; and particularly have required that all schools receiving public aid shall provide an efficient education in the English language. The Mennonites, who speak the German language, have desired German schools. The refusal of the Manitoba Government to recognize such schools is regarded by some of the Mennonite leaders as oppression, and they have been seeking for new fields in which they may have the liberty, as respects their schools, that is denied them in Manitoba. Several months ago it was announced that the Mennonites were preparing to remove in a body to the Southern United States, the State of Mississippi being particularly mentioned.

Many people who read the announcement must have wondered how any group of settlers of foreign origin could obtain greater privileges respecting education in any State of the American Union than in a Province of Canada. There are indications that the

Mennonite leaders have discovered the mistake they made in expecting such exceptional privileges.—The exodus to Mississippi has not yet begun. Some of the younger Mennonites have frankly declared that they have no intention to leave Canada. It seems now that the Mississippi movement is abandoned. The Mennonite leaders are looking for educational freedom, not in the United States, but in our Canadian Province of Quebec. A deputation has waited on Hon. Mr. Taschereau, the Quebec Premier, expressing the desire of the Mennonites to come to this Province, if they can be assured of satisfactory school privileges and exemption from military service. On the latter question, the assurance given to the original settlers in Manitoba might hold good on the removal of their successors to another Province. But that is a matter on which only the Dominion Government can speak with authority. Mr. Taschereau, recognizing the many virtues of the Mennonites, spoke very kindly to the deputation, promising them every facility for inquiring into conditions in Quebec, but naturally he could give them no assurances of recognition of their schools except in conformity with the liberal laws of the Province.

One can feel a measure of sympathy for any group of industrious people of foreign origin who desire to maintain the language of their fathers. But experience has shown that the attempt to do this in our public schools, to the exclusion of instruction in the languages of our country, does not make for the building up of a Canadian citizenship. What Canada requires in this respect, of her citizens of foreign origin, is no more than is necessary for the welfare of our country, and no State in the American Union is likely to require less from those who enter it. The Mennonites are not likely to find in any part of the world a larger freedom than they have in Canada.

Jettisoning the Land Policy

From one view-point it was lucky for Mr. Lloyd George that one day last month he was engaged with urgent business in the international conference at Spa, in Belgium. If he had been in the House of Commons on that day he would have had an unpleasant hour in being an active participant in the condemnation and repeal of what not long ago was one of his most cherished political measures.

In the strenuous session of 1909-10 there was no measure more valiantly championed by Mr. Lloyd George, or more vehemently assailed by his Conservative opponents, than that which provided for land valuation and land taxation. The alleged evils of the existing land system were very eloquently and very forcibly pictured by Mr. Lloyd George, then Chancellor of the Exchequer in the Cabinet of which Mr. Asquith was Premier. The relief that was to be obtained by the masses of the common people through the system of additional taxation of the rich landowners was one of Mr. Lloyd George's strongest cards in appealing to the public.

Many changes have occurred in the British political world since that time. Mr. Asquith sits in Opposition. Mr. Lloyd George is Premier. Mr. Austen Chamberlain, one of the strongest opponents of the land scheme in 1909-10, is Chancellor of the Exchequer. Mr. Chamberlain's Finance Bill of the present session includes provision for the repeal of the law respecting land valuation and land tax that was so much vaunted by Mr. Lloyd George. Such a reversal of policy by a Government of which Mr. Lloyd George is Premier could not be expected to be adopted without some revival of the history of the enactment of the law. The debate was made merry by the banter of Mr. Asquith, and by other members who gave the House numerous quotations from the speeches with which Mr. Lloyd George had ushered in these land laws. If Mr. Lloyd George had been present he would have found the occasion an interesting if not entirely a pleasant one.

Mr. Chamberlain doubtless found some pleasure in making the frank admission of the complete failure of the measure which the present Premier had championed and he (Mr. Chamberlain) had strenuously opposed. The machinery for making the valuation and levying the taxation had cost the country, he said, about two million pounds. The total amount of taxes received from it had been £1,320,000, and this the Chancellor proposed to return to the taxpayers. Many people had resisted the law. Their action in doing so had been upheld in the courts, and in this way the operation of the scheme was paralysed. There was due for uncollected taxes £540,000, and the claim for this was to be abandoned. Mr. Chamberlain said it "would be contrary to public policy that a man who had paid promptly and had no dispute should suffer by reason of his prompt payment, whereas the man who had disputed the payment—it might be on frivolous grounds—should escape payment by reason of his delay." Hence it was proposed to abandon the collection of the taxes and pay back the money already received.

Mr. Chamberlain did not mince words in jettisoning the whole scheme. The land taxes, he said, "from top to bottom were bad. They could not be made workable without an immense amount of legislation." Strong language to be used in characterizing one of the most important reforms of the man who was now Mr. Chamberlain's leader! The Chancellor of the Exchequer tried to make some amends to his Premier in the following passage:

> "The Prime Minister had great qualities, which all who had watched him in that House, and still more in Council, recognized, and had other qualities which those who at one time or another had been in Opposition had not been slow to characterize with less commendation. He was human. But he had one great quality not given to every man. In middle age and after middle age he could still learn. He was no coward who feared to own a change of mind."

The Government's proposal was carried by a vote of 209 to 53. In the division lobbies the minority added to the humor of the situation by singing "The Land Song," which was a campaign song when Mr. Lloyd George was advocating his scheme of land reform—

"The land! the land!
'Twas God that made the land!"

Yes, Mr. Lloyd George was lucky to be in Spa that day.

Force Against Democracy

It is apparently becoming customary for certain classes of workers to abandon their tasks, under the guise of a "strike," whenever they fancy that by so doing they may possibly embarrass, not their employers (with whom in such cases they may have no quarrel whatever) but some remote political or religious or economic authority whose actions they happen to disapprove. This practice has been frequent in certain branches of transportation both in Great Britain and in the United States of late, and has now spread to Canada. Its usual object, here and in the adjacent Republic, is to annoy the British Government on account of its refusal to recognize the "Irish Republic." In Great Britain it has been employed, or threatened, to enforce compliance with Laborite views on the Bolsheviki question. It may quite possibly be utilized in the near future to promote the doctrines of Single Tax or to prevent the importation of much-needed supplies of labor.

It does not seem to have occurred to any of the authors of these strikes that such a weapon is just as illegitimate for the pursuit of political ends in a democracy as assassination or the forcible restraint or terrorization of electors or their appointed representatives. It is a use of force, and if effective it is in no wise distinguishable from other forms of the use of force, such as kidnapping a Prime Minister or marching troops into the assembly-hall of Parliament. Like all other misuses of force, it may be successful for a time, but in the long run it is bound to recoil on the head of those who invoke it. Force can only be repelled by force, and those who use force to affect the political actions of a democracy will inevitably compel that democracy to arm against themselves. If a democracy is capable of defending its liberties against outside enemies, it should be able to defend them against its own stevedores or electricians.

Utilities begin to see Light

Illinois Traction is an example of tendency of rate-regulating bodies in middle western states to commence thc granting of reasonable fares -- Illinois has made many concessions

FROM A SPECIAL CORRESPONDENT.

That the rate regulating bodies of the middle western states are appreciative of the necessity of increased revenues for public utilities has been strongly indicated within the past year. Although rate increases have not followed in direct ratio to increased operating expenses, and in many cases have been tardy, still the tendency of these regulatory bodies is to give more serious attention to the case of the public service utility and to turn a deaf ear to the political demagogue who until very recently has succeeded in keeping himself and his friends in office through a systematic heckling of the industry.

Not only have the rate making bodies begun to recognize the needs of the public service companies, but the public itself is accepting with a marked degree of fairness the inreased rates that have been approved in recent months. This is probably due in part to the campaign of education that has been carried out by the companies themselves and exemplifies the theory that the public is fair when informed. In fact, it would seem that the public utilities which have had to meet the problems of readjustment following the war with the added handicap of regulated earnings and unregulated expense are beginning to see some light. What will be the resultant reaction on their securities is to be seen, but it is fair to suppose that it will be favorable.

A typical example of the tendency of regulatory bodies to show appreciation of the necessity for increased revenues is offered in the case of the Illinois Traction System. This is one of the largest operating companies in the middle west. In addition to an electric interurban system comprising 550 miles it operates street railway, electric light and power, gas and heating plants in Illinois, Iowa, Missouri, Kansas, and Nebraska. The greater number of these properties are located in Illinois, where the state Public Utilities Commission possess rate making power over all local utilities. For this reason most of the rate cases presented by this Company have been brought before Illinois Commission. The public service commission in Missouri possesses the same power, while the Kansas and Nebraska Commissions are limited as to jurisdiction. In Iowa there is no state utility commission.

In common with other utilities of this class, the street railway properties of the Illinois Traction System felt the result of high operating costs growing out of and following the war period. On all of its city properties the time-honored 5 cent fare, with reduced rate tickets had been in effect, but early in 1918 the rate-making bodies approved elimination of the low ticket fares. In the case of a few smaller properties fares of 6 cents and seven cents were allowed at that time.

This relief was not ample to take care of continually rising costs, however, and in 1919 the following increased fares were approved.

Peoria (111) Railway Company, 6 cents cash.

Quincy (111) Railway Company, 7 cents cash with 4 tickets for 25 cents.

Urbana and Champaign (111) Railway, Gas and Electric Company, 7 cents cash, with 4 tickets for 25 cents.

Bloomington and Normal (111) Railway and Light Company, 7 cents cash, with 4 tickets for 25 cents.

Topeka (Kas.) Railway Company, 6 cents cash.

Competition for labor of all grades has continued unabated in 1920 in the Company's territory and this situation compelled the management to meet the general average of wages. These increased operating pay rolls, coupled with other increased operating costs, made it necessary for the Company to again appear before some of the regulatory bodies and ask for additional fare increases to take care of rising expenditures.

The first seven months of the year 1920 have seen the following increased fares approved.

Danville (111) Railway and Light Company. 7 cents cash, with 5 tickets for 30 cents.

Galesburg, (111) Railway, Light and Power Company. 10 cents cash, with 10 tickets for 75 cents.

Peoria (111) Railway Company, 7 cents cash, (temporary fare pending final hearing).

On the interurban railway lines the Interstate Commerce Commission in September 1918 approved a 25 per cent increase in freight rates, also an increase from 2 cents to 3 cents per mile in the passenger rate, in accord with rates put in effect on the steam carriers by the United States Railroad Commission. This rate was made effective within the state of Illinois by order of the Federal Court. Increases in special car, commutation, and milk and cream rates which brought these tariffs up to those of the standard steam railway were allowed in 1919. In the same year the company established its own express service which added materially to its revenues from this source. A marked increase in storage charges was also placed in effect in 1919.

During the present year an increase in passenger fares from 2½ cents per mile to 3 cents per mill has betn approved for the Chicago, Ottawa and Peoria interurban division; as has an increase in the parlor and sleeping car tariffs on the Illinois Traction System; and also a substantial addition to the L.C.L. merchandise rates and in the tolls and passenger rates over the McKinley Bridge crossing the Mississippi River.

An increase in electric power and light rates for service from the Illinois Traction System of 3 cents per K.W.H. has also been allowed this year.

There have been no changes in the electric rates of the local properties since 1918, when practically all of these companies in Illinois were granted increased tariffs. There are quite a few rate cases pending at the present time. The same condition applies to gas properties, with the exception that the Clinton (Ill.) Gas and Electric Company was allowed an increase of 10 cents per 1,000 cubic feet in 1919.

It is anticipated that the recent freight and passenger increases granted to the steam roads by the Interstate Commerce Commission will shortly be made effective on the Illinois Traction Lines.

About things in General

Victoria, B.C.—Steps are to be taken by the Provincial Government to secure specific information as to the number of settlers arriving in British Columbia, where they are locating and what they are doing, so that an efficient system of service to the immigrant on the land may be rendered.

Montreal, P.Q.—A messenger in the commercial telegraph department of the C.P.R. here has been awarded the scholarship offered for competition by the railway. This free scholarship, covering four years tuition in architecture, chemistry, civil, mechanical or electrical engineering at McGill University, was subject to competitive examination, to apprentices and other employees enrolled on the permanent staff of the company and under twenty-one years of age, and to minor sons of employees. Scholarships will be renewed from year to year.

Montreal, P.Q.—Over one hundred steamers left Montreal during the month of July, carrying full cargoes of produce, and merchandise of Canadian manufacture, to the European market. The high prices realized on produce gives farmers plenty of ready cash which circulates freely, and makes collections good.

Montreal, P.Q.—Plans are afoot in the theatrical world to establish a vast combine of all the legitimate theatre interests of the British Empire, to include the legitimate theatre owners and administrators of England under Sir Alfred Butt, and also of Canada, Australia, New Zealand and South Africa. This announcement was made by Mr. George F. Driscoll, vice-president of Trans-Canada Theatres, Ltd. The actual ownership of such a combine would include 1,200 theatres, but the bookings would affect from 5,000 to 6,000 theatres.

Montreal, P.Q.—Another direct trade link between Canada and Germany is to be established in the sailing of the freighter S.S. "Fanad Head," under the agency of McLean, Kennedy, Limited. The "Fanad Head" will leave this port at the end of this month for Hamburg with a full general cargo. She also has Rotterdam as a port of call, but what cargo she will bring back, is not known yet.

Quebec, P.Q.—The C.P.O.S. liner "Minnedosa" arriving in port last week, made the distance between Liverpool and Father Point in six days, nine hours—a record run. There was a heavy passenger list, made up of 500 cabin and 1,285 third-class mostly British and bound for the West.

St. John, N.B.—During the past week all root crops and the grain have shown a wonderful improvement due to the fine weather, which was badly needed. At one time it looked very much as if the potato crop was bound to be a failure, on account of the extreme amount of rain; in some localities the crop showed signs of mildew, but the hot sun of last week remedied the situation, and things look decidedly better; as a consequence speculators have dropped the price of potatoes from $1.25 a peck to as low as 40 cents in some cases, which is a good omen.

Calgary, Alta.—Proof of the development of the Alberta coal industry is provided by official figures recently published showing production during first six months. To the end of June the output was three million forty thousand tons compared with two million sixty-nine thousand tons for the corresponding period last year. Figures include bituminous and lignite product. Operators state more coal has been marketed than in any other corresponding period in the history of coal production in Alberta.

Abundant Crops are General

Frosts in the West lately damaged oats and potatoes considerably. Grain Exchnages opening.—Uneasiness regarding cars for coal and grain

By E. CORA HIND.

Yorkton, Saskatchewan, August 25.—Last week it was impossible to get a letter off as my motor journeys took me far afield where there was much crop but few postal facilities.

Since last writing, have motored over 1,500 miles through crop, and it will be another week or ten days before the inspection can be completed. There is much poor crop, but taken as a whole, the wheat crops is far far better than seemed possible a month ago, and in the southern and central portions of all the provinces fully 85 per cent. of the wheat is in stock and therefore reasonably safe from serious damage, although the old saying of western farmers holds true that "no crop is actually safe until it is sold and the money in the bank."

The weather has been very variable. Two weeks ago the farmers were lamenting the intense heat, which was bringing the crop in too fast and endangering the grade, but last week the mercury dropped suddenly and on the nights of the 19th and 20th there were quite heavy frosts over very large sections of the west. The wheat, all but the latest crops, have escaped any material damage, but there will be considerable loss on oats, as some of the best crops of oats were very green. There will be some loss on potatoes also as in many sections they were frozen to the ground and in the case of late crops the tubers were not fully matured at that time.

In southern Manitoba and parts of the centre considerable threshing has been done, and in all the provinces the bulk of the winter rye has been threshed and a considerable amount of the new crop again seeded. The acreage in winter rye will probably be doubled this season, especially in the districts where they suffered from blowing and drifting, as it has been proved that winter rye which is seeded early in August and gets a good growth, may be pastured during October, and again in the spring will develop so early that it is a very great help is holdin gsoil which is inclined to drift. On the very large farms in Alberta and Saskatchewan the rye is being seeded in broad strips on the south and west borders of farms as these are the directions from which the devastating winds usually come.

Open Grain Markets.

Since my last letter, trading in futures has been resumed on the Winnipeg, Calgary and Fort William grain exchanges. Resumption of trading did not make the stir that was expected. The exchange hesitated long about opening for October, but finally decided to open October and December. Trading so far has been largely confined to sales for October delivery, and the sellers are often farmers who will ship their own cars direct. The decline which has taken place since the opening is a sufficient indication of their wisdom in so doing. If cars are plentiful and the railways are making strenuous efforts to have supplies at every station, it is probable the early movement of wheat will be large. Wheat has come in early, 75 per cent of the wheat crop is in stock at the present time, and rapid progress is being made with the balance of the wheat, and with other crops and should fine weather continue, threshing will be quite general in some districts before the end of August. There have been quite a few cars of wheat moved already, but they have all practically been consigned to mills.

There is considerable uneasiness as to the possibilities of congestion, owing to the fact that this year both coal and wheat must move eastward at the same time, whereas in the past the coal has come west and the same cars have carried wheat east.

All the railways have gangs at work bringing treir tracks up to the necessary standard of efficiency, but it is doubtful if the Canadian National railway will succeed in getting heavy rails placed on the full length of its Saskatoon-Calgary line before the movement of crop commences in earnest, and it is over this line that the heavy coal trains must come from the Rosebud Valley mines.

The Livestock Situation.

The livestock situation is presenting some perplexing features. The west has an abundance of feed this year, yet the farmers are not buying stock cattle to feed through the winter. The movement of stocker and feeder cattle to farms is almost nil, while the movement of these cattle to market is fairly brisk. The situation is hard to size up. The trouble which the farmers experienced in securing feed last year is a probable factor, but it seems rather curious that while the big ranchers were, earlier in the season, clamoring to have United States cattle admitted free in order to restock ranches depleted by heavy liquidation last year, at the present time neither farmers nor ranchers are showing any interest in absorbing the stockers and feeders that are coming on the three big markets of the west, namely Winnipeg, Calgary and Edmonton.

It is possibly as well that the range pastures should not be too heavily restocked for another year, as while the pasture is excellent it has not entirely recovered from the close cropping of 1918 and 1919, but this does not apply to feeders for winter, as they would not run at pasture, but be fed in more or less confined areas.

In rather marked contrast to the few stockers luth and Port Arthur, which will not displace but and feeders going into winter quarters for feed- have been put up all over the country. The hay crop, both cultivated and wild hay, has been a very fair one, and there are veritable colonies of stacks in all directions all over the country. The irrigated farms in Alberta have the best crops of alfalfa they have ever had, and the average of yield in two cuttings will be over four tons to the acre.

Transportation Routes Undergoing a Re-Alignment

By F. W. GRAY

A re-alignment of transportation routes in North America is assuming definite shape, some of the causes being undeveloped, and as yet not clear, and other causes more apparent.

The more general use of the Panama Canal is following upon the great port improvements on the Pacific Coast, Seattle having taken the lead and reaped the initial benefits of its expenditures, with Vancouver not far behind. More and more does it seem likely that the trade of the Orient will flow towards the Pacific ports, and that Vancouver will increase in importance and volume of shipping interchange. The growing strength of Japan, and the commercial impetus and increase in population which is likely to follow her occupation and administration of Eastern Siberia, Manchuria, Sakhalin, Corea, and the long heralded renaissance of China, which seems likely to take place under Japanese tutelage forecast much coming enlargement of the commerce of the Northern Pacific . The political changes which these future developments may give rise to are momentous and may force some re-adjustment of the attitude of North America towards Japanese and Chinese ambitions, but they point indubitably towards greater importance of the Pacific ports and the railway lines that serve them. The presence in China of great deposits of anthracite, bituminous coal, iron and alloy metals, is one of the significant facts indicating world destinies.

The great bituminous coal reserve of Canada lies bordering the crest and to a great extent on the Albertan side of the Rockies. This deposit is so large and unique in Canada that it must at some future date become the dominating centre of Canadian industry, and the focus from which transportation lines will radiate. Inspection of the map will show that the western coalfield is relatively near to the Pacific Coast, and that in days to come Vancouver will become a great coal-exporting port, and the point from which manufactured articles, made with the assistance of western coal will go out.

The recent conferences on the St. Lawrence water-way indicate quite unmistakably that the future will see ocean-going vessels going to Duluth and Port Arthur, which will not displa but will supplement the existing east to west rail lines, and others that are yet to be built. Such a route will mitigate those seasonal crises in transportation which the periodical accumulation of crops combined with climatic conditions must always cause in North America, and it will be time to talk about redundance of transportation facilities and competition of facilities when it shall be demonstrated that existing routes are adequate. Most people will be of the opinion that their complete inadequacy has been proven.

From the viewpoint of the coal and steel industries of Canada, the importance of the St. Lawrence water-way—should its possibility be favorably reported upon by the engineers who are studying it—is that it will enable Nova Scotian coal and Newfoundland ore to be brought to steel plants and metal-working establishments in Ontario and Quebec, and thereby lessen a dependency upon our neighbors that has become a national menace.

There is the further consideration that the north-western states of the Union are about as dependent upon British Columbia and Alberta for bituminous coal as Ontario is upon United States sources of supply. Quebec cannot be said to be dependent upon the United States for bituminous coal, as there is an amply sufficient potential source of supply in Nova Scotia, and the St. Lawrence waterway has for many years carried millions of tons annually from Nova Scotia to Quebec centres of consumption. When the coal fields of Alberta and British Columbia become the main

(Continued on Page 18.)

July Trade Returns Analysed

Adverse balance of trade against Canada steadily increasing — Rapid expansion of certain industries shown — People have plenty of money to spend

By OUR OTTAWA CORRESPONDENT

The preliminary trade returns for July, as they show an excess of imports over exports for the month amounting to over $20,000,000, thus bringing the total adverse trade balance since the beginning of the year up to $148,000,000, are not as agreeable reading as they might be; but they do contain evidence of the continued rapid expansion of Canadian lumber, pulp and paper industries. While the details are not yet available, the total figures show the total value of these exports for the month to have been $28,825,000, or a little over $11,000,000 in excess of those for July, 1919. For the last four months the total value of these exports was $95,000,000, as compared with $51,700,000 for the same period last year. As yet it is impossible to say what the exports by countries were.

The pulp and paper exports for the month have not been returned; but it is fair to assume that a large, if not the greater part of the increase has been due to this industry. For one thing, the production of both pulp and paper is increasing, while outward shipments of newsprint have also shown an increase. In addition, the price of both newsprint and pulp has been advanced, the July trade returns containing the first evidence of this. On the other hand, while shipments of lumber have been heavy, there is a tendency in the direction of lower prices.

That lumber, pulp and paper are among the country's most important exports is to be seen in the fact that during July they were only $5,000,000 in value below Agricultural products mostly foods, which was the leader among the exports. Indeed, the value of lumber, pulp and paper exported was equal to over twenty-five per cent of the value of all exports for the month.

The imports for the month were again large, amounting to $127,268,811, as compared with $84,281,499 for the same month last year. They were however, approximately $7,500,000 below those for June. As two and one-half months have now passed since the tariff changes were announced, it is possible to draw conclusions as to the effect of these changes. There is no doubt but that the removal of the 4½ per cent customs war tax has stimulated strongly the importation of commodities from the United States. What the value of these imports was during July it is as yet impossible to say, but the nature of the imports indicates that the value of those brought in from the United States continues to increase .

Coming to the classification of imports, fibres, textiles and fibre products led with approximately $27,500,000, or nearly double the figures for July of last year. The greater part of these came from the United Kingdom. Iron and steel and its products came next with $24,695,000, or $9,000,000 more than for July, 1919. The greater part of these imports came from the United States. Non-metallic minerals, which includes coal, are credited with $18,500,000, which is equal to a seventy-five per cent increase over the imports for the same month last year. This is an evidence that imports of coal during the month were large.

That the people have the money to buy is to be seen in the circumstance that the value of dutiable goods imported was $85,000,000, or double the value of the free goods brought in; it was also equal to more than double the value of dutiable goods imported during the preceding July. Even with the 7½ per cent customs war tax off, the amount of duty collected during the month was about $3,200,000 greater than during July, 1919.

During the last four months the value of the total imports was $473,572,000, as compared with $284,897,000 for the same period in 1919. The value of the total exports for this period was $351,695,000, as compared with $373,890,000. The total trade figures for these periods were $825,267,000 and $658,787,000 respectively.

For a country that is supposed to be very largely under a prohibitionist regime the Dominion is importing a very large amount of liquor. Of course, there is no ban on imports of liquor; but for all that the imports are very large. During the first four months of the present year, the value of the imports of intoxicants was $6,210,931 as compared with $747,435 for the same months in 1919. In values the imports by months in 1920 were as follows: January $1,738,615; February, $1,027,396; March, $2,256,878; April, $1,188,042. In 1920 the imports were: January, $163,053; February, $157,288; March, $220,756; April, $206,388.

It will not do to say that these increases are to be attributed to increase in price. In January 1920, the imports were 412,836 gallons; in 1919 they were 49,959 gallons. In February, 1920 the imports were 290,104 gallons, in 1919, 44,723 gallons. March 1920, imports 454,957 gallons, 1919, 76,84 8gallons. April, 1920, imports, 243,293 gallons, 1919, 60,170 gallons. Under the existing conditions the trade in intoxicants is merely being transferred from the home manufacturers to manufacturers abroad.

America's Timber Problem

The amount of timber cut each year from the forests of the United States is about three times the annual growth, it is declared by the National Bank of Commerce in New York in a review of the American lumber industry published in the August number of its magazine, Commerce Monthly. Lack of an adequate national forestry policy, together with speculation in privately owned timber lands and the absence of co-operation within the industry itself, have all combined rapidly to reduce the country's timber resources. Provisions for reforestation up to the present have been entirely inadequate and the oncoming growth is ordinarily of inferior species and grade.

"It is estimated that the United States originally possessed 850,000,000 acres of timberland, of which only about 545,000,000 acres remain," Commerce Monthly says. "The original forest acreage contained approximately 5,200 billion board feet of merchantable timber. The latest estimate of timber remaining is 2,826 billion feet. Of this difference, about one-third has been lumbered, one-third destroyed by forest fires and one-third wasted.

"The most striking characteristic of the American lumber industry has been its lack of cohesion. This has led to a maladjustment of lumber production to the requirements of its market. Though the industry is at the present time prosperous, it contains elements of instability. It has been dominated by a strong individualism, and though it has been very American in a way, it has been backward in developing common ideas about its products. Coordination has been made difficult by the fact that it is not economically feasible to assemble the raw material—timber—at a few points where manufacturing may be concentrated, as is possible in the iron and steel industry and others.

"The principal handicap of the lumber industry as it exists in the Pacific Northwest, and also to a great degree in the South, is the burden of timberland investments. In the last quarter of the nineteenth century lavish grants of public lands and loose, poorly defined and ill-enforced land laws allowed the concentration of timberlands in private ownership. A rapid and enormous capitalization of stumpage took place, largely with borrowed funds. The result of these conditions has been that the lumber cut has tended increasingly to be governed by financial requirements instead of demands of the market. This movement to unload stumpage while the opportunity for profit exists is the most serious cause of over-production in the West.

"Violent and destructive competition exists between different regions and between different mills in the same region. The lumber industry is equipped to produce at least 50 per cent more lumber than it has so far in any year, and probably about twice the present consumption. There has been a lack of sensitive adjustment of supply to demand, and of cooperative effort among lumbermen. Naturally, this loose and haphazard structure of the industry has operated with the speculative character of timber ownership to produce violent fluctuations in output and prices."

The Goverment's policy of alienation of its timberlands, the bank points out, has resulted in only about one-fifth of the present stand being publicly owned, whereas in 1870 the Government owned approximately three-fourths of the country's timber.

"The opinion has been expressed in the lumber trade that it may be desirable ultimately to double the present acreage of the public forests," the article continues, "so that they would amount to from 40 to 50 per cent of the total forest area. This could be done by the extension of the national forests, by purchase, by exchange of stumpage for land and by placing under permanent administration the forest lands now in the unreserved public domain. State and municipal forests might also be established. Some depleted and wasted cut-over and burned lands should be rehabilitated. Protection against fires, insects, and disease should be made effective both for public forests and for privately owned timber.

"Tax accumulations, the fire menace and the fact that timber takes generations to mature, all tend to discourage reforestation by private owners who too often take a short-sighted view of their functions. The responsibility for reforestation, however, rests upon them as well as upon the public at large.

"According to Henry S. Graves, formerly Chief of the United States Forest Service, if we began at the present time to protect our cut-over lands from fire and use wholly practical forestry methods to insure reproduction after logging, we could secure in the next fifty to sixty years an annual production of over 60,000,000,000 feet of lumber per year, without lessening our forest capital."

Succession Tax and Insurance

A paper read at the annual convention of the Life Underwriters' Association of Canada, held at Ottawa, last week

By JOHN COWAN, Publicity Officer, Toronto General Trusts Corporation.

According to our old friend Benjamin Franklin, there is nothing surer than death and taxes. Both have been with us in many forms since the beginning of time, the Great War especially having yielded an abundant harvest. This afternoon we are met to consider the relationship of one of the more recent forms of taxation, namely Succession Duty, to that class of life insurance which makes provision for the dependants of the assured in the event of death.

As to definition of terms it is unnecessary in such a gathering as this to define the business of life insurance; suffice it to say that founded as it is on well ascertained natural laws and on principles of finance which in their broad aspect are of the simplest description it has proved of untold blessing since its inception in providing funds in those times of need which sooner or later come to most of the children of men.

It is difficult to express a similar appreciation of Succession Duty or in fact of any kind of taxation. Succession Duty may be defined as a tax on the succession to the estate of a deceased person by his beneficiaries or next of kin, the term "estate" including real and personal property of every description and every interest therein capable of being devised or bequeathed by will on the death of the owner to his heirs or personal representatives.

The imposition of this tax on the estate of a deceased person in the British Dominions dates back to 1780, when a duty was charged in England by the Government of the day upon property devolving by Will or intestacy (that is in the absence of a Will), to legatees or next of kin of a deceased person. The principal Act dealing with this measure was the Legacy Duty Act of 1796 by which duty was charged on personal estate, that is on all the estate left by a deceased person except real estate, and it was domiciled in the United Kingdom. By the Succession Duty Act of 1853, a tax was placed on the gratuitous acquisition of property which passed on the death of any person by means of a transfer from one person (called the predecessor) to another person (called the successor). Then came the well-known Finance Act of 1894 under the chancellorship of Sir William Harcourt, making provision for payment of death duties and effecting large changes in the duties which had been hitherto payable. Further amendments to this Act were made in 1908. This is briefly the history of Succession Duties in Great Britain.

In Canada Succession Duty is entirely a Provincial tax, and first made its appearance in Ontario in 1892 when it was introduced by the Government to meet the growing expenditures of the Province for the support and maintenance of such Provincial Institutions as the Insane Asylums, Institutions for the Blind and Deaf Mutes, and for other charitable and educational institutions. The large revenues which the Act yielded in Ontario led the other provinces to follow her example, until every province in the Dominion has now a Succession Duty Act on its statute book. The highest rate of duty levied by any Canadian province is 35 per cent, this being the rate of duty charged by the Province of Ontario on a legacy passing to a remote relative or stranger in blood of the deceased when the estate exceeds $800,000 in value; the lowest rate is ½ of 1 per cent charged by the Provinces of Saskatchewan and Alberta on an estate passing to the immediate relatives of a deceased person which exceeds $10,000 and does not exceed $15,000 in value. The aggregate revenue raised during the last three years by the nine Provinces of the Dominion averaged a little over 6½ million dollars, almost one-half of this amount being raised in Ontario alone.

When the Succession Duty Acts in some of the provinces were being framed, special provisions were made with regard to payment of duty on life insurance funds.

Let us dip into these Acts of the various provinces and see what they have to say in this regard, for in those provinces where exemption from payment of this tax on insurance moneys has been granted, a talking point may be found for the alert agent.

Starting with Prince Edward Island we find that this province has made no exemption for life insurance, the proceeds of all policies, no matter how payable, being subject to Succession Duties.

Nova Scotia. Insurance moneys payable to certain beneficiaries are taken into account for the purpose of determining whether or not an estate is liable for succession duty. Where any moneys are received or are payable under a contract of insurance effected by any person on his life, have been made payable to or for the benefit of the grandfather, grandmother, father, mother, husband, wife, child, grandchild, daughter-in-law, or son-in-law of the deceased and the total amount of such insurance money does not exceed five thousand dollars, the money received in respect thereof is not dutiable, although the rest of the estate is dutiable. When, however, such insurance moneys exceed five thousand dollars, they are subject to duty. For example, an estate has assets of one thousand dollars and there is five thousand dollars of insurance payable to a certain beneficiary such as nephew, niece, cousin or any other collateral relative or stranger in blood to the deceased, the thousand dollars. is dutiable and the insurance moneys are not. Or take another case, an estate has assets of twenty-four thousand dollars and insurance amounting to six thousand dollars payable to one or more beneficiaries, the assets and the whole amount of the insurance funds are both subject to duty. If the insurance had amounted to only five thousand dollars, the twenty-four thousand dollars would have been dutiable, but the five thousand dollars would have been exempt.

New Brunswick and Quebec, like Prince Edward Island, have not yet given special treatment to life insurance in their Succession Duty Acts, all insurance monies when forming part of a dutiable estate being subject to payment of the duty whether payable under the policy, will or any other document.

Under the Ontario Insurance Act insurance moneys, made payable to a preferred beneficiary either by declaration of the assured or designated by him in his insurance policy, are not so long as the object of the trust remains, subject to the control of the assured or of his creditors and do not form any part of the deceased's estate. One would assume therefore that such insurance moneys not forming any part of the estate, would be exempt from payment of succession duty. This is not the case, however, for the Ontario Government charges succession duties on all insurance moneys when they form part of a dutiable estate, no matter how they are made payable, on the ground that succession duty is not a debt of the deceased and the Provincial Treasurer who collects the duty is not a creditor within the meaning of this section of the Insurance Act. Until a few years ago Ontario exempted insurance up to five thousand dollars, but this exemption for some reason or other has been wiped out.

In Manitoba the question as to whether or not insurance moneys are liable to succession duty is determined by the manner in which these are made payable. Without any limitation as to the amount, when they are payable by the policy to the beneficiaries therein named, they are exempt from payment of duty, but when they are referred to in and distributed by the will of the deceased, or when they are made payable to him or to his estate, such insurance is subject to succession duty.

In the province of Saskatchewan no exemption is made from payment of succession duty on insurance monies. Property passing on the death of the deceased for the purpose of charging duty includes money received or receivable under a policy of assurance effected by any person on his life where the policy is wholly kept up by him for the benefit of any existing or future donee, where nominee or assignee or for any person who may become a donee or a part of such money in proportion to the premium paid by him where the policy is partially kept up by him for such benefit.

Sunny Alberta is one of the provinces which has recognized the benefits of life insurance by exempting it from payment of succession duty in certain cases. Alberta exempts from payment of duty any life insurance monies when these are made payable to or for the benefit of a husband, wife, child, grandchild, or mother of the assured, or a part of such moneys in proportion to the premiums paid by the assured where the policy was partially kept up by him for such benefit. In a recent case which came before the Supreme Court of Alberta the question was raised as to whether the money payable on two policies of insurance on the life of a deceased person was or was not to be taken into account in deciding the question of the liability of his estate for succession duty collected on insurance moneys. The Court held in the case in question that an insurance policy in favor of a wife who dies before the maturity of a contract becomes, under the Life Insurance Beneficiaries Act one for the benefit of the children of the assured, and forms no part of the estate of the assured, but if the policy is payable to insured's executors, administrators or assigns, if the wife be not living, such insurance goes to the executors of the will of the assured, forms part of his estate, and is therefore subject to payments of succession duty.

In British Columbia insurance moneys are liable for payment of succession duty when forming part of a dutiable estate, all property situated within this province liable for duty according to the Act includes all policies of assurance wherever entered into or wherever payable.

Nova Scotia, Manitoba, Alberta, these then are the only three Provinces of the Dominion in which life insurance receives special treatment in the matter of succession duty.

In many states of the United States of America, the governments exempt the first $10,000, $15,000 or $20,000 of an estate before estimating its value for payment of the inheritance tax or succession duty. Such exemptions have not yet been recognized by our Canadian provinces. It may be that our provincial treasurers have not yet fully appreciated the extent of the increase of the cost of living in the past few years; they certainly have not in six of our provinces fully appreciated the part that life insurance plays in a man's estate. Some recognition is surely due to the peculiar position of life insurance funds. Intended primarily for the protection and support of one's dependents, it is often the only opportunity available for a man to create any estate at all, and some real service could surely be rendered by such an organization as the Life Underwriters Association of Canada making representations on this subject to those provinces which do not exempt life insurance from payment of duty.

Before leaving this part of my subject, it may be useful to incorporate in this paper a statement showing the amount in each province at which an estate becomes liable for succession duty when it passes to such near relatives of the deceased as husband, wife, child, the rate of duty and the period from the date of death in which the duty is payable.

		Per cent.	
Prince Edward Island...	$10,000	2	18 mos.
Nova Scotia..	25,000	2½	18 mos.
New Brunswick	25,000	1¼	6 mos.
Quebec	20,000	1¼	

Within 30 days of a statement of the duty payable being furnished to the executors by the Collector, this statement being based on an inventory of the estate assets to be filed within 3 months from date of death.

		Per cent.	
Ontario..	$25,000	1	18 mos.
Manitoba	25,000	1	6 mos.
Saskatchewan	10,000	½	18 mos.
Alberta	10,000	½	6 mos.
British Columbia	25,000	1½	2 yrs.

Having now learned what the various succession duty acts have to say with regard to life insurance, let us turn to the practical side of our subject and see what part life insurance plays in the administration of an estate.

When a person has died and his estate falls to be administered, one of the first duties of the executor who takes the estate in charge, after reading the will, is to go carefully over the assets left by the deceased, noting, among other things, any insurance policies which may be found among the deceased's papers, and ascertaining if these are in force and notifying the insurance companies interested of the death of the assured and of their appointment as the executor and trustee of the estate. The experienced executor knows that these insurance policies are among the most valuable documents left by the deceased. Proof of death and the right of the executors or beneficiaries to collect the proceeds of these policies is all that is required to turn them into cash. The question as to the ability of the insurance company to make immediate payment does not arise, nor does the necessity of having to sell the security on a low market in order to obtain funds, as may sometimes be the case with listed stocks. These features make life insurance policies of special value among the assets of an estate.

When a testator by his Will has provided that his widow shall be entitled to the income only from his estate and the capital divided among his children or others on her death, and has not specifically provided for payment of succession duty out of his general estate, then the duty is payable by the widow out of the income to which she is entitled within the time mentioned in the statute, namely from 6 to 18 months (with the exception of one province), from the death of her husband. The duty becomes a first charge against the income to which she is entitled, and therefore no income can be paid to her until this charge has been first met. In such cases this is the only charge for succession duty against the estate until the death of the widow, when the estate is re-valued, duty then charged on the balance of the estate and deducted from the shares of the remaining beneficiaries before payment to them of the same. Needless to say, payment of the duty by the widow out of her income causes considerable hardship and inconvenience. To maintain a family of say, seven in number, a widow and six children, to provide food, clothing and education on the income from a $30,000 estate leaves little, if any, of a surplus, especially when no provision has been made for payment of succession duty out of the general estate. Many Wills left by testators make no such provision, and the consequent hardship caused to the widow and family is very great. By the exercise of foresight in drawing a Will and by the deceased providing sufficient insurance funds to meet such claims, this hardship and inconvenience could be avoided.

Then again, it is often of material benefit to an estate when insurance moneys are made payable to the executors of the deceased and not to beneficiaries named in the policy, especially in cases where the estate comprises assets which cannot readily be realized, such as unimproved real estate or unlisted stocks. In some instances executors of estate, and of fairly large estates at that, when they take over the administration of an estate find that there are no funds available for payment of taxes or for payment of claims, succession duty, etc., and in order to pay these it has been necessary for them either to advance the moneys out of their own pockets or to mortgage the real estate under their care. If the right to mortgage the real estate has not been conferred upon them by the will, it is necessary for them to make application to the Court for an order giving them this right, with all the trouble and expense involved. These are cases in which the use of insurance moneys greatly facilitates the administration of an estate for the executors.

In one case the assets of an estate consisted of improved real estate right in the heart of Toronto. The circumstances were such that in order to pay succession duty the property had to be mortgaged in order to raise the funds necessary, while in another estate the assets consisted of a valuable subdivision on the outskirts of the city, which, for the same purpose, was required to be sold when there was a depression in the real estate market, the sale resulting in considerable loss to the estate.

Similar circumstances frequently present themselves in the estate of a business man, especially in cases where his whole assets are tied up in a business. Let us take the case of a man leaving an estate valued at say $160,000 in such shape. Under his will he has given his widow an annuity of $5,000, to a brother who has been associated with him in the business he has given a legacy of $15,000 and the remainder of his estate is bequeathed to his only son. The will directs that the business is to be continued until his son reaches the age of twenty-five years, when he is to become entitled to his father's share, and take his place in the management. If the son does not wish to enter the business, it is to be sold, the first option to purchase to be given to the testator's brother. Meanwhile the executors have some bills to meet. There are the personal obligations of the deceased, testamentary expenses, the $15,000 legacy to the brother, and in addition to these succession duties amounting to between $12,000 and $13,000. It is found that the executors have not the funds on hand to meet these obligations, and are placed in a very awkward position. To withdraw the funds from the business at a time when it has lost its executive head may involve a serious curtailment of its operations or serious financial embarrassment. But the executors are anxious to continue the business and carry out the wishes of the testator as expressed in his will, and so are obliged either to advance the funds themselves or to arrange a line of credit with the bank, neither of which propositions are very likely of being satisfactorily arranged.

Another instance arises when insurance moneys would have proved of real assistance to an estate, is that of the case of a structural engineer. At the time of his death he had on hand several large contracts, which he was carrying out with the assistance of the bank. In order to realize as much as possible for the estate and for the benefit of his widow and children, the executors decided to complete these contracts. Arrangements with the bank entailed payment to them of all moneys received for the work as it progressed, and this left no funds available to the executors wherewith to pay succession duty or for the support of the dependents of the deceased, and it was only with great difficulty and after careful negotiation that arrangements were made with the bank whereby the executors were enabled to complete the contracts and finally wind up the estate with advantage to those interested. But in the meantime, what of the family? They had to wait pending the satisfactory outcome of these contracts and naturally suffered much inconvenience. How much more satisfactory it would have been for the executors in both of these estates and for the estates generally if the testators had each carried insurance policies sufficient to meet such contingencies.

The Question of Reparation in Europe.

Socialist radicals and others who survey the European situation find in the scramble for advantage of the reparation delegates at the Spa, targets for their caustic criticism. There is, however, another side to the question, and viewing the situation fairly, the attitude of the delegates would seem to be entirely commendable. When the allied representatives realized that they must not bankrupt Germany by demanding the reparation they were morally entitled to, a provisional reparation total was considered and the delegates wrestled among themselves with the proportionment of percentages. This was a European spectacle which may be considered far from elevating, but Europe's position and appearance goes far to make it pardonable and explicable. Take devastated France, her flooded coal mines, her endless vista of mined farmsteads and levelled towns, her thousands of cripples, her million dead. Take Serbia, thrice devastated, take Italy and her terrible proportion of manhood sacrificed. Take, if you will, Great Britain with her goodly ships on sea bottom, her dead sons in a dozen lands, her eight million thousand pounds war debt. Does not this explain something of the zeal with which the representatives pressed the needs of their own nations. Familiarity with the losses shows why their zeal was creditable. When the bitterness and the greatness of the need is realized, the wonder is that Great Powers give place to smaller countries and Belgium's claim to priority, for example, goes unchallenged.

As a result of the Swiss delegation which has been investigating lands and industrial openings in Western Canada, it is probable that there will be considerable settlement of Swiss agriculturists in some parts of the West. Members of the delegation were enthusiastic over the situation as found, and will report accordingly.

HOLLINGER CONSOLIDATED GOLD MINES, LIMITED.
(No personal Liability)

A dividend of 1 per cent. upon the paid up capital stock of the Company has been declared payable on the 11th of August, 1920, on which date cheques will be mailed to shareholders of record at the close of business on the 29th of July, 1920.

Dated the 22nd. day of July 1920.

D. A. DUNLAP,
Treasurer.

Banks, Bankers and Banking

The State of the Sugar Market

By B. K. SANDWELL.

The sugar situation is the most striking example yet available of the kind of temporary demoralization that may be expected at various times and in various industries during the period of re-adjustment to lower prices. It is highly improbable that the definite move towards lower prices is yet under weigh in the sugar industry. All available supplies of sugar, both raw and refined in the United States and in Cuba, are far below the ordinary amount, as shown in recent years. There is no reason to anticipate a sudden contraction of demand by consumers. The present disturbed market is the result of three co-operating factors: (1) Nervousness on the part of a great many of those engaged in the trade. (2) Large curtailments of credit by the bankers financing the trade. (3) Deliberate and spectacular price depressing operations by individuals already committed to the short side of the market.

The situation is thoroughly unhealthy, both because it involves the possibility of bankruptcy of a number of weak operators, and because it seems certain to reduce the amount of capital and labor available for sugar production at a time when that production is by no means excessive.

There is very little doubt that sugar has been largely held by speculators during the past year or two—a natural state of affairs in view of the profits that are now seen to have been obtainable through this sudden rise in prices. As is usual at the close of a speculative movement of this character, the holdings are largely in the hands of weak speculators, who are easily dislodged by a determined bear raid, such as that which seems to be in progress. Because of the uncertainty as to the lengths to which such a raid may be carried, little buying power is developed on the way down in spite of the conviction of almost everybody in the trade that the present level of prices in the United States is absurdly low. Even if sugar were certain to return to 22 cents, it would be bad policy to buy it at 15 cents if there was a possibility of its being raided down to 12 cents, and especially if the bank credit necessary for the operation were liable to be withdrawn at the very worst point of the raid.

Similar disturbances may doubtless be looked for in other commodities, particularly those in which speculative interest has recently been strong. If they are pushed too far, these disturbances will lead to serious curtailment of production which will make yet higher prices necessary in the course of a year or so, in which case the more active and alert of the speculators will reap enormous profits upon the rapid transition from the downward to the upward movement. The low prices effective in the sugar market in the past week have been made upon exceedingly small transactions. The operator who started the break is said to be a refiner whose output has for months been extremely limited, and whose actual stocks are very low, and are supposed to have been oversold before he started the raid. That he chose his time with great skill must be admitted. It is very surprising that the more stable elements in the sugar trade have been too nervous, or too ill-organized to protect the market to some extent, although without the co-operation of the American banks they would not have been able to do very much. The American banking system has never been notorious as a stabilizing factor in commerce, and although hopes were entertained that it would prove more effective in that direction as a result of the establishment of the Federal Reserve banks, it does not appear that these hopes have had justification.

Canadian National Railways.
Montreal-Quebec Night Train via Quebec Bridge.

Canadian National Railways night train to Quebec, via Quebec Bridge, leaves Montreal (Bonaventure Station) 11.15 p.m. daly, arrives Quebec (Palais Station) 6.15 a.m. (Eastern Standard Time).

Returning night train leaves Quebec (Palais Station) 10.55 p.m., daily, arrives Montreal (Bonaventure Station) 6.30 a.m. (Eastern Standard Time). Sleeping cars parked for occupancy until 8.30 a.m. (Daylight Saving Time).

Electric lighted standard sleeping cars, also first and second class coaches are operated in both directions.

Tickets, reservations and further details may be obtained from Ticket Agents, Canadian National-Grand Trunk Railways.

Banks, Bankers and Banking

Bradstreet's Montreal Trade Report

Bradstreet's Montreal report on the trade of last week is as follows:—

There has not been any improvement in trade in the wholesale district, business being on the quiet side.

In the grain markets the local market is unsettled, operators holding off for the present. In the export grain trade, foreign countries are disposed to purchase freely on the declines. Italy has been a big buyer of cash wheat. British buyers are not operating at present, they are reported to be awaiting the result of the Canadian harvest before filling their requirements.

A feature of the cattle trade is the purchase at the live stock market this week, of about fifty milch cows for export; the average price paid being about $150.00 each, freight space being secured to Antwerp at $60.00 per head. This class of stock is reported to be selling in the Antwerp market at $350.00 to $450.00 per cow. Smaller offerings of cattle at the markets caused prices to advance 75c to $1.00 per hundred pounds, while hogs advanced 50c to 75c per hundred.

The low rate of exchange is affecting our exports of butter and cheese, the demand over the cable is limited, but the trade here are not anxious sellers. Prices at the auction of fine and finest grade of butter were fractionally lower. Eggs are firmer.

The crops in this province on the whole promise big yields, with the exception of the hay crop, which in some sections is poor; not even yielding a ton to the acre, but in most districts the yield will run one to two tons per acre.

The retail trade is more active in addition to the tourist trade. Large supplies of school requirements are being sold. Collections are reported good.

Victoria, B.C.—Certificates of incorporation were granted to fourteen companies in the province during the past week representing a capitalization of more than $3,500,000. The largest firm to receive incorporation was the Standard Lumber Co., Ltd., with private capital amounting to $2,500,000, with headquarters in Vancouver.

Vancouver, B.C.—The Canadian Robert Dollar Company announce the purchase of the 11,550 ton freighter "Parisian" at London. The vessel will operate on the Oriental run from this port as the "Esther Dollar," and makes the sixth steamer sailing from here to the far East under the Dollar flag.

Insurance News and Views

Fire Insurance for Fishing Industry

BY A. Z. DELONG, TERMINAL AGENCIES, VANCOUVER.
Delivered at the recent Convention of the Canadian Fisheries Association.

In writing this paper on Fire Insurance as pertaining to the Fishing Industry it is not my intention to give you a technical treatise on this subject, nor to delve too deeply into the Policy Contract, nor the history of the business, because in order to do so I would have to have much more time than is at my disposal, but rather to touch on a few general subjects that I believe are often overlooked by the public in general and by those interested in the fishing industry in particular.

The first item I am going to call your attention to is the contract contained in the policy itself. A great many business men—and especially the smaller insurers—do not realize that a fire insurance policy is a legal contract entered into by an insurance company and the owner whose property is insured. In this contract, the company agrees to re-imburse the assured for certain losses on the payment of a certain premium, provided the assured lives up to certain warranties and conditions as laid down in the policy. How many men receive their policy from their fire insurance broker or agent, look at the outside of it, see the amount for which the policy is written and the premium attached thereto, throw the policy into the safe with other policies, send the agent a cheque for the premium (if he does not forget it), and never looks on the inside of the policy to see how or in what manner he is covered, and therefore does not realize that in case of loss this scrap of paper may stand between him and the poor house. All policies contain certain Statutory Conditions which are fixed by law, but in addition to this, other conditions are added to make policy applicable to the particular risk to be covered. These are attached to the regular policy and are called "Forms" or "Wordings," and may give to the assured certain broader policy conditions and privileges under his contract, which he might not otherwise have. It is most important that these forms covering on the same risk should read alike and be absolutely concurrent, as otherwise, in case of loss, a serious difficulty might arise in making the apportionment of the loss as between the various companies interested. So, scrutinize the form and watch your policy conditions, see that they are concurrent and that your interests are fully protected, be careful to always live up to your part of the contract, so that in case of loss there will be no question as to whether or not you are perfectly covered. In connection with the forms which I have just mentioned, your attention is called to the fact that these are drawn by various agents and brokers in a great many different ways, but by these forms is indicated the way in which your insurance actually covers, and are of great importance.

There are various ways of covering property, but two to which I wish to call your particular attention—what is known as "Blanket Covering" and that which covers specifically on the different items. For instance, you may have two or three buildings which adjoin. These buildings can be written, under Tariff Regulations, as one risk, but a great many times you will find the agent has written these buildings as separate risks—naming a specific amount to each one. It is to your advantage, however, to have this insurance cover as one risk—in other words—blanketing the insurance to cover on all risks, because if you do this, in case of loss the total amount of insurance can all be applied to one building, while if the insurance covers specifically you can only collect for the one building up to the amount of the actual insurance placed on that building. The same remarks apply to stock. Always have your policy cover as much of your risk under one item as is permissable, and eliminate specific insurance as much as possible, this is to your advantage.

We now come to the question of carrying Blanket Insurance on buildings that are not attached. In this case it is necessary for the assured either to write his insurance with co-insurance or with the Distribution Clause. A great many assureds carry co-insurance on their property, without knowing what co-insurance means. Briefly, the Co-insurance Clause is as follows: In consideration of the reduced rate, or the special form under which the policy is written, it is stipulated and made a condition of the contract that the insurance company shall be liable for no greater proportion of any loss than the amount insured under the policy bears to a determined percentage of the actual cash value of the property described in the policy. In other words, inasmuch as the company is writing your policy at a lower rate, or granting you certain concessions in the way of form, you agree with the company to carry insurance up to such percentage of the value of the property as is mentioned in the policy—which is generally either 80 or 90 per cent. Failing to do this, you agree to become a co-insurer for the difference between what you do carry and what you should have carried.

For example, you have property worth $10,000.00 and agree to insure for 80 per cent of that value—you therefore should carry $8,000.00. You do do carry $8,000.00 of insurance and you have a loss of $4,000.00—the company in that case would pay the total amount of the loss, because you have lived up to your agreement with the company, and have carried 80 per cent of that value. On the other hand, you have $10,000.00 worth of value; you should carry $8,000.00 of insurance; you do actually carry only $6,000.00. We will assume that you have a loss of $4,000.00. In that case the companies will pay six-eighths of that $4,000.00, and you have to stand two-eighths of that loss yourself. The reason why the insurance companies have such a clause is because they can afford to insure certain classes of property at a lower rate and with better policy conditions, if the assured will agree to carry enough insurance to make it improbable that the companies will be called upon to pay the face value of the policies, or total loss to them, when only a portion of the property is destroyed. Assuming that the rates are the same with and without co-insurance, and that two men each own buildings side by side, we will assume that the buildings are worth $50,000 apiece and the insurance company issues a policy for $10,000 on each building. Supposing that the first man carries a total of $40,000 insurance on his building, and the second man carries but $10,000. A fire occurs and damages each of these buildings to the extent of $10,000. Both men are paid in full, but in the one case the company who carried $10,000 on the building which is insured for $40,000 ony contributes $2,500 towards the payment of this loss, while in the other case —where they have the full $10,000 and that is all that is carried, they have to pay the face value of the policy. Had this company issued a policy for $40,000 on the first building, they would then have paid the whole $10,000 loss, but they would only have paid a quarter of the face value of their policy, while they would have received a premium on $40,000. So the companies feel that the man who carries more insurance is entitled to a lower rate than the man who carries a smaller amount of insurance, inasmuch as the chances are much less that the insurance will all be paid out. This plan of insurance becoming generally adopted on certain classes of risk, and while co-insurance is not allowable on dwellings, farm property and some classes, still on mercantiles it is becoming quite general. It is a question that is largely misunderstood by the insurers, and it is one that you should go carefully into before allowing it to be made part of your policy.

Another clause which is of special interest to owners of cold storage plants is that clause known as the "Consequential Damage Clause" or "Cold Storage Clause." By consequential damage is meant damage which is caused by the interruption of the cold storage machinery by fire, which allows the temperature in the cold storage plant to rise and damage the goods stored therein. This might happen even though no fire, smoke or water came in contact with the goods, or anywhere near the cold storage plant in question. It should be specifically stated on all policies covering goods in cold storage whether or not it is the intent of that policy to cover consequential damage, and while under the ordinary policy the companies would undoubtedly deny liability for consequential damage—even though there was no clause on the policy—still, this would probably result in hard feeling between the assured and the company in case of a loss, with the claim denied. It is therefore important, where consequential damage insurance is desired, that two sets of policies should be written, so as to prevent complications arising out of non-concurrence or the question of contribution. The companies assuming the fire risk should except any loss due to consequential damage and those companies who are writing the consequential damage should have a special form of policy covering this particular portion of the risk.

In speaking of hazards generally found in connection with canneries, that of gasoline particularly comes to our notice. In many canneries gasoline is stored in close proximity to the main plant. This constitutes a severe hazard,

Continued on page 17

The Pulp and Paper Industry

August Prices are Higher

Paper pricεs up even during quiet month of August — Slump in the lumber market is thought by some to indicate lower priced pulp wood

Despite the prediction that prices of paper would remain stationary during August, the week saw an increase in one line—that of kraft —and the previous week marked a new price list for box board, which furnishes another illustration of the unwisdom of trying to size up the future accurately with respect to the trade. At the beginning of the month word went out from the mills that jobbers could pretty well rest assured that the prices then prevailing would govern during August. Mounting costs of manufacture, however, combined with ever-soaring prices for raw stock, have upset calculations at the mills and some lines have had to undergo further increases. Whatever new prices are fixed, however, they are only basic, and as sales are only made with the proviso that payment shall be made at prices prevailing at date of shipment, and the mills are sold up for weeks to come, jobbers and consumers have no guarantee as to what they will have to pay for their paper products. High price-levels for all classes of paper still prevail, and there is no indication of a downward trend in any line, although a leading Toronto pulpwood contractor advanced the opinion this week that the present slump in lumber and over-production of groundwood in Quebec and New Brunswick would eventually send both raw material and the finished product down. Among the paper manufacturers and jobbers, however, this view is not shared and no talk is heard in these circles of any coming slump. The mills are all tremendously busy and despite a quiet holiday period in the printing trade a very small proportion of the arrearages of orders has been overtaken. A great shortage of both chemical and mechanical pulp still exists and the paper manufacturers are up against high costs of all paper-making ingredients. No jobber can keep a normal stock of any line of paper in his warehouse and incoming shipments are sold before they leave the mill.

Pulpwood.

That there is a very large production of pulpwood amounting almost to over-production, is the impression gained by Mr. E. R. Heyland, of the Heyland-Thompson Lumber Co., Toronto, who has just returned from a trip to Quebec and New Brunswick, where he has been looking over the ground and studying the market. Mr. Heyland made the further statment that on account of the slump in the lumber market, the big production and the fact that men who have previously engaged in cutting logs are now cutting wood, the impression prevails throughout the two provinces that the pulpwood market is due to break this winter. In his opinion prices will take a drop then, following which a new era of lower prices for pulp and paper will set in. In the meantime, any prices that one hears of today for groundwood cannot be taken as a criterion of what the prices will be in the winter, while the car situation, especially in the east, is reported to be very serious. "I am satisfied that there is going to be a big curtailment in general manufacture in Canada," said Mr. Heyland, who added that personally he would not feel inclined to put a nickle into rough wood he had not already sold, in view of the present condition of things. For instance, in Quebec, he pointed out, 15,000 cords was the limit on any transaction the banks would finance. While considerable over-production is promised, it is stated that there is very little pulpwood for immediate delivery, most of the wood having been already shipped out. In Quebec, the mills are paying from $18 to $20 per cord for next year's delivery, while rough, unpeeled wood is quoted at $11 to $12 for next season's delivery. The price for unpeeled in Ontario rules at $11 to $14. The production of poplar is away beyond the demand and is quoted at $12.50 to $13 at country points, while peeled spruce is quoted at $17.50 to $18, although some has been bought as low as $16.

Pulp.

The pulp situation remains unchanged with the market practically bare of anything except contract lots. Groundwood particularly is a scarce article and mills are having the greatest difficulty in getting supplies. Prevailing quotations are from $150 to $160 per ton. Neither in groundwood or chemical pulp has there been any loosening up in the market. Mills appear to be hanging on to what they have, and several of the grinders have been shut down recently, which will have a tendency to boost prices still further, according to some authorities. Bleached sulphite is selling at $190 to $200 and unbleached from $175 to $195.

Kraft Paper Up.

The week saw another of several advances in the price of kraft during the past few months. Beginning this week the commodity which has been selling at 12c will carry an additional half a cent a pound, while kraft pulp is still quoted at $140 to $150. Kraft mills are still several months behind with their orders, and the demand is away beyond the ability of the manufacturers to meet.

Newsprint.

The general trend of the newsprint market is upward, and in the opinion of most mills and dealers the next quarter will see a rise proportionate to the increase made effective at the beginning of the present quarter, although it is stated that the price will be governed by the pulp situation. "If the pulp manufacturers bring their prices down you can look for lower priced newsprint," was the way one mill representative put it, and he added that the rate would be correspondingly upward if pulp prices go up. There have been no changes in prices for spot lots of either roll or flat sheets during the week.

Book Papers.

The week saw no change in the book paper situation. None of the warehouses have adequate supplies despite the fact that there has been a slight falling off of sales. A feature i book paper manufacturing conditions is the changed situation in respect to labor problems. There has been a great need for more help at the mills for months past, but at the present time mills are receiving applications from men for work, and at lower than previously prevailing wages. As a result the mills are in a more independent position in this regard, and are able to make their choice of men, a thing they have been unable to do for many months past. According to one mill owner the changed situation is making for more efficiency and greater output.

A SESSION OF THE COURT OF KING'S BENCH (Crown Side), holding criminal jurisdiction in and for the DISTRICT OF MONTREAL, will be held in the COURT HOUSE, in the CITY OF MONTREAL, on FRIDAY, the TENTH DAY OF SEPTEMBER NEXT, at TEN o'clock in the forenoon.

In consequence I give PUBLIC NOTICE to all who intend to proceed against any prisoners now in the Common Gaol of the said District, and others, that they must be present then and there; and I also give notices to all Justices of the Peace, Coroners and Peace Officers, in and for the said District, that they must be present then, and there, with their Records, Rolls, Indictments and other Documents, in order to do those things which belong to them in their respective capacities.

L. J. LEMIEUX,
Sheriff.

Sheriff's Office,
Montreal, 20th August, 1920.

Labor Situation is Steady

The following is the report of the Department of Labor on employment throughout Canada during the past week:

Reports from over 5,100 employers to the Dominion Headquarters of the Employment Service of Canada, Department of Labour, show that, disregarding loss of time due to strikes, there was, an increase in the volume of employment during the week of July 10, as compared with returns from identical firms for the preceding week. A substantial increase had been anticipated and the returns show that the proposed increase was more than realized. For the following week, moreover, these firms expected that they would have a further increase in their staffs. In comparison with their returns for January 17, they reported that they had made very considerable additions to the volume of employment afforded.

New Brunswick, Prince Edward Island and Manitoba reported increases as compared with the returns for the preceding week, that in the last mentioned province, however, being the only decline of any consequence. Of the increases recorded in the remaining provinces, that in Ontario over 2,000 persons was the most substantial. For the succeeding week New Brunswick alone anticipated having a further though slight reduction. In comparison with their returns for January 17, firms in all provinces recorded very important additions in their staffs.

For the following week firms in 19 groups anticipated that they would increase their staffs by 1,972 employees. In two groups it was anticipated that no changes would occur, while in the remaining 10 groups reductions amounting to 304 persons were expected. The net increase, therefore, anticipated in the volume of employment afforded by these firms for July 17 was 1,668 persons, or two-tenths of one per cent.

As compared with their returns for the middle of January firms in 26 groups reported that they had enlarged their staffs by 72,662 employees, but as in 5 groups reductions aggregating 14,183 persons were recorded, the net increase in the staffs of these 5,123 concerns was 58,479 persons or eight and four-tenths per cent.

The most important increases during the week under review as compared with returns from identical firms for July 3 occurred in lumber and its products, Iron and steel products and rubber goods, 1,003, 1,536 and 1,705 more persons being employed in these groups respectively. In lumber and its products most of the increase was reported by firms in British Columbia and may be regarded as an indication of the more settled conditions in the lumber market prevailing at that time. The additions in iron and steel products occurred largely in Ontario as a result of the re-opening of an important steel establishment which had been closed down on account of lack of fuel. In rubber goods the increase is also the recovery from a temporary shut-down and took place largely in Quebec. In railway and building construction, edible plant products, coal mining, hotel and restaurants, telephone operation and water transportation there were increases in each case of between 100 and 700 persons.

For the following week building and railway construction, lumber and its products, rubber goods, coal mining, hotels and restaurants, and telephone operation anticipated having further increases. With the exception of an increase of 768 persons proposed in railway construction, the additions expected in these groups were all smaller than those actually registered during the week under review. Iron and steel products, edible plant products and water transportation expected to have slight reductions, that of 78 persons proposed in the last mentioned groups being the largest.

The most important declines as compared with their returns for July 3 were reported by firms in the non-ferrous metal products, pulp and paper, textiles, miscellaneous manufacturing industries, retail trade, local and railway transportation. In non-ferrous metal products the reductions were confined almost entirely to Ontario and Quebec, and were partly the result of holidays, while in miscellaneous manufacturing industries they occurred largely in Ontario and New Brunswick. In the former province the decreases took place in several of the sub-groups, while in the latter were reported almost wholly in a musical instrument establishment.

For the following week all of these groups anticipated having some recovery but with the exception of an increase of 222 persons proposed in Railway Transportation, the expected additions were of a minor character.

In comparison with the figures for January 17 (which practically coincides with the close of the annual inventory season), especially large increases were recorded in building and railway construction, lumber and its products, iron and steel products, and pulp and paper products, that of 21,031 persons recorded in railway construction being the most noteworthy. Increases of between 1,000 and 5,000 persons were recorded in edible plant products, rubber goods, miscellaneous manufacturing industries, non-metallic minerals other than coal, hotels and restaurants, telephone operation, railway and water transportation. In 11 other groups there were additions in each case of between 100 and 1,000 persons, while in the remaining two groups showing plus tendencies in this comparison the changes were of a minor character.

The most substantial reductions in staffs as compared with their returns for January 17 were reported by firms in the logging group where 9,509 persons were released from employment since that date, on account of seasonal inactivity. In leather and leather goods, coal mining and textiles there were large declines, seasonal in character also, while in non-ferrous metal products there was a slight reduction.

Ottawa, Ont.—Officials of the Department of Agriculture estimate Canada's present wheat crop at 262,338,000 bushels as compared with 193,260,000 bushels last year; oats 496,966,400 compared with 394,387,000; barley 63,483,500 as against 56,389,400 and flax 10,507,700 against 5,472,800 last year.

Ottawa, Ont.—Immigration to Canada is increasing rapidly, according to a statement issued by Hon. J. A. Calder, Minister of Immigration and Colonization. During the month of June the increase over the same month last year amounted to 109 per cent, while for the three months of April, May and June 68 per cent increase is shown over the same three months of 1919. Of the 49,242 immigrants who entered Canada in the three months named, 28,487 were British, 16,397 were from the United States, and 4,358 from other countries.

Vancouver, B.C.—Work in erecting the Government seaplane base here is proceeding rapidly. Hangers have been erected and two seaplanes have arrived, while two more will reach here from England at the end of this month. Along with eight others shortly, they will be used for fire, forest and fishery patrols, as well as survey work.

Canada's Mining Industry

Oil Discovery in Far North

Imperial oil announce the discovery of oil north of the Great Slave Lake — Davidson Consolidated Gold Mines plan extensive developments

FROM OUR TORONTO CORRESPONDENT.

As a result of important new financial arrangements for the Davidson Consolidated Gold Mines, Limited, in England, by the managing director, Mr. H. H. Sutherland, an extensive plan of development of the company's property is to be carried out, which will include the sinking of a three-compartment shaft to a depth of 1,000 feet and the construction of a mill with a daily capacity of 1,000 tons, the first unit of which will handle 500 tons a day. Tenders for the shaft work have been already asked for, and the construction of the mill is to be undertaken at once. It is estimated that after erecting the mill and carrying out all development work there will be a cash working capital available of approximately $300,000. A condition of the agreement in connection with the securing of British capital is that the English interests shall receive a further option on 2,000,000 vendors' shares, $1,000,000 at $1 per share and $1,000,000 at $1.25 per share. The option is to remain in force until the first 500-ton unit of the mill is completed, but in no case to exceed a period of two years.

Purchase of three feldspar properties in Hyla, Haliburton County, was made recently by American Molybdenite, Ltd. These are situated to the east of Wilberforce. The management of the purchasing company states that contracts have been entered into with a manufacturer of sanitary enamelware in Ohio that calls for the delivery of one car of feldspar a day, averaging thirty-five tons. The enamelware concern in question is said to require three times the amount of the initial shipment, and this may be available when boilers and steam drills now on order have been delivered and set up at Hyla. It is reported that deposits of feldspar in New England that have hitherto been drawn on are becoming worked out, and new sources of supply are being sought, creating a new opportunity for the Ontario deposits.

According to an announcement made in Toronto by the Imperial Oil Limited, oil has been struck at a point just within the Arctic Circle, north of the Great Slave Lake, and close to the Mackenzie River. After upwards of two years diligent exploration and drilling, the company was able to make the announcement this week, coupled with the statement that operations are continuing on a large scale, eleven rigs being at work. The company makes no particular boast concerning the strike, because the flow is small and possibly could not economicably be made use of, but the fact that oil has been found is naturally of much significance. Much more hopeful enterprises are being carried on at other points, and good results are expected at Czar, Alberta, where the well is already 2,000 feet down. It is thought that the outlook is good for oil at a point between 2,000 and 2,500 feet. The company's programme is being pushed, but naturally the short working season in the far north prevents much being realized in one year.

During the year ending June 30th last the McIntyre mine recovered over $2,000,000 in gold, of which more than fifty per cent is net operating profit. The premium on American funds for gold bullion sold amounted to over $200,000, so that during its last fiscal year McIntyre earned a net of approximately $1,225,000. The mine has been increasing in size and a big boost in ore reserves is predicted. As the main vein system is sunk to deeper levels, the ore bodies grow larger and gold values increase.

According to an announcement sent out by the Northern Securities, Limited, the organization is in receipt of word that the Bailey Mine at Cobalt has made a new rich discovery of high grade silver ore at the 300-foot level with a vein 4 inches wide, which carries about 2,000 ounces of silver to the ton. It is claimed that the Bailey has already in excess of 23,000 tons of ore actually developed which contains over 500,000 ounces of silver.

The installation of the mining plant at the Herrick mine in Shining Tree has been completed and the shaft, which is down fifty feet, pumped out in readiness for the sinking of the 200-foot level. It is the intention of the company to enlarge the present shaft to a full two-compartment shaft so that it will not be necessary to do this work at a later date. A new powder house has been built to replace the one destroyed by forest fires.

The Dominion Reduction expect to start treatment on the sands and slimes in Peterson Lake very shortly. There are about 300,000 tons of tailings that will probably be recovered, part of which the courts decided was Peterson Lake property. Changes have been completed in the Dominion Reduction mill so that about 400 tons can be handled daily. While the material is low-grade, it is thought that after treatment charges are paid a fair profit will be made.

It is stated that the Nipissing Mining Company has abandoned its oil-drilling campaign in Texas. Two holes were drilled and they are both said to be dry ones. The company purchased a 1,000-acre lease in Clay County, Texas, and while the cost of the lease was small, according to the last annual report, it is believed that the amount spent in drilling the two wells will be considerably over $100,000.

L. B. Holliday and Company Change Office Location.

The offices of L. B. Holliday and Company, manufacturers of aniline dyes and coal tar products, have been moved to larger premises at 27 St. Sacrament Street. A permanent laboratory will be maintained here to insure their products meeting the most exacting demands of the paper and textile trades. Mr. Harold Brook, their Canadian manager, will be in charge. The head office of this firm is at Huddersfield, Eng.

Sydney, C.B.—The coal mines of Nova Scotia employed 13,000 men and during the year 1919 produced 42 per cent of the total cost production of Canada.

FIRE INSURANCE FOR FISHING INDUSTRY

Continued from page 13

with the added possibility of making insurance policies void.

Mostly the gasoline fishing boats and tenders procure their fuel supply from the cannery out of which they operate, which necessitates large quantities being on storage. As those who are in the habit of daily handling this dangerous liquid rarely consider its hazard, where feasible, a separate wharf for the storing and handling of all oils should be erected, or other proper precautions taken for the handling of the same. A point to bear in mind is that metal drums are not sufficient protection and that empty containers should be more carefully handled than full ones, because the danger from these is greater.

Care should be taken, also, in the handling of lacquer. Not more than one day's supply should be kept in the cannery building, and in no case should it be used or handled when any fire or open light is burning in the vicinity.

The following precautions and suggestions are brought particularly to your attention:

"All electrical equipment should be properly installed and inspected periodically.

"Metal drip pans should be provided for all bearings.

"Steam pipes should be at least two inches from woodwork and main steam lines covered around with asbestos slag and wrapped.

"Lamp or lantern room for filling and storing lamps or lanterns should be in a separate building.

"No smoking should be allowed in buildings and signs to this effect should be freely posted.

If sanitary cans are not used, soldering equipment should be so arranged that any hazard from the same would be eliminated. Woodwork in and around all soldering machines and furnaces should be protected by metal at least two feet on all sides of fire doors, and brought up at the back to meet the brickwork. All pots should have water pans under and same kept filled with water when not in use. Benches should be covered with tin or other metal and should be bent up at least six inches at the back of the bench. Metal stacks from soldering machines or pots should extend to not less than three feet above the apex of the roof and properly protected where passing through or near woodwork.

"The blacksmith's forge should be set out from the wall or other woodwork and floor protected with metal and metal hood provided.

"Gasoline or naptha engines should not have their tanks attached to the base of the engine or hung under the wharf or cannery. Supply tank should be buried not less than four feet underground and not within five feet of any building. The engine should not be used below the grade or first floor of the building and the gasoline should be forced directly from the tank to the engine by pump. The engine room should be well ventilated at both the floor and ceiling.

"The plant at all times should be kept clean and a daily inspection of same during the packing season should be instituted for that purpose.

"All fire fighting apparatus should be given the best of care and always ready for instant use should fire occur.

"Canneries having smoke-house in connection therewith should have proper arrangements for taking care of this hazard. If possible, the smoke-house should be of fire resisting construction and communications, if any, to main building should be protected with standard fire doors. The sill in openings on firing floor should be at least twelve inches in height and a drain should be provided to carry oil drippings away from the plant. Steam jet should be provided for fire protection.

"The arrangement of boilers is an important item. They should be properly set and encased in brick. It is preferable to locate boiler house more than twenty-five feet from the main buildings. Metal stack should be at least twelve inches clear from all woodwork and wood floor not nearer than six feet from boiler front.

"Web or net tarring vats, especially if fire heat is used, introduce a distinct hazard. This should never be attempted in or near the main building, nor should freshly tarred or oiled nets be stored in cannery or within one hundred feet thereof. The oiling of nets is a serious hazard and great care should be taken in this regard."

The question of fire protection is one that enters largely into the matter of your rate. In cannery plants the water supplies would depend largely upon the size of the plant and the surrounding conditions. There should be a good gravity or pump supply. If gravity supply, to be of sufficient capacity to insure the maintenance of the required number of fire streams, with fifty pounds flowing pressure at the nozzle, for a period of at least two hours. If pump supply, the pump should be of not less than 500 gallons per minute, one of the Underwriters' Standard, and should be equipped with automatic regulator, lift to be not more than twelve feet, steam pressure to be not less than fifty pounds to be maintained for the pump at all times during the operating season. This pump should be located in a detached pump house located at least forty feet from the main buildings. The distribution main should be not less than six inches in diameter. Hydrants should be two-way, 2½ inc., located not less than 40 ft. or more than located not less than forty feet or more than one hundred feet from any building, and sufficient in number so that it would not be necessary to string more than one hundred feet of hose to reach any part of a building. Fifty feet or more of two-inch hose, with one-inch nozzle should be attached to each hydrant. These hydrants and hose should be protected with good substantial hose houses, and should contain wrenches, spanners, and whatever tools are necessary for prompt action in case of need. Regular inspection and tests of the hydrants and hose should be made, at least once every two weeks. These hydrants should also be protected in a cold climate against freezing.

When it comes to the inside system, supply mains should not be less than four inches in diameter. Standard pipes should not be less than 2½ inches. All valves should be two inch and should carry fifty feet of No. 1 two-inch linen hose, with one-inch smooth nozzle attached to each valve. The underwriters' standard for a cannery is one inside standpipe for every 5,000 feet of floor area. All of this equipment must be of first grade, in order to pass the underwriters' standard. Also, in case the standpipe is not practical, one 2½ gallon fire extinguisher for each 2,500 square feet or fraction thereof of floor area, and one cask or barrel with two fire pails attached thereto, for every 2,500 square feet or fraction thereof, on each floor. The underwriters ask that these casks be painted red so as to be made very conspicuous. The capacity should be at least 40 gallons, and in a cold climate forty pounds of common salt should be dissolved in each cask. Two fire pails should be hung with each cask. It is better to have round bottomed pails so they will not be used for ordinary purposes and thus be out of place in an emergency. These pails also should be painted red and marked with the word "Fire," so as to insure their use for fire purposes only. They should be placed so that they will be constantly in sight and should never be covered with stock or rubbish. They are best located near exits and stairways. In the case of the extinguishers, regular inspections should be made, and the extinguishers should be re-charged at least every six months. Suitable tags should be attached to these extinguishers bearing the date of the last inspection and when they were re-charged. All fire protection equipment should be put in charge of the foreman or engineer, who should be held responsible for their condition.

As stated at the beginning of this paper, the question of fire insurance in connection with your particular industry is a big one, and I have only touched on some of the more important items in a very brief way. There are many other things which could be discussed at length and which would be of interest to you. It is my belief that it is good policy for any insurer to appoint a firm of competent brokers or agents to look after their insurance for them. By so doing, this agent will receive enough remuneration so that he can afford to devote the proper time and attention to your insurance matters, which they deserve. He can act as your insurance adviser and keep your policies in order for you while if you scatter your insurance around to a dozen different agents or brokers, no one of them is going to take the interest in your risk which they should take, with the result that your interests are not looked after to your best advantage. — From the "Canadian Fisherman."

Toronto Ont.—Arrangements have been practically completed between the Ontario Government and the Spruce Falls Company, a corporation understood to be heavily backed by American interests, by which the company will erect a large pulp and paper mill at Kapuskasing, formerly a soldiers' settlement in northern Ontario. Under the terms agreed upon the Government will turn over to the company 24,727 acres of pulpwood limits in the O'Brien township, a 1,740 square mile limit in the Kapuskasing district, 400 acres of the colony farm at Kapuskasing with the farm buildings, and the water rights on the Kapuskasing river. A big industrial development is expected in this district as an outcome of this agreement.

Transportation Routes Undergoing a Re-Alignment.

(Continued from Page 6.)

source of bituminous coal supply along the Pacific coast the international exchange of coal between Canada and the United States will not be so humiliatingly lop-sided as is the case now.

There seems therefore emerging from today's readjustments a possibility that at some point in the Canadian West, perhaps not far from the Saskatchewan-Albertan border, there will be discernible the "water-shed" of traffic, from which on one side the stream will flow to the Pacific ports, and on the other side to the Atlantic ports of the Dominion. The shipment of manufactured articles from the East to the three provinces of Saskatchewan, Alberta and British Columbia will lessen as the coalfields provide a domestic source of articles that now originate so largely in the East, and to the southwards, and instead of being exporters of wheat and beef, and importers of mostly everything else, the prairie provinces and British Columbia will become exporters of manufactured articles, in addition to agricultural products, and importers of very little .

The one drawback to industrial eminence in the prairie provinces is the apparent lack of an iron-ore deposit. It is a little too soon, however, to assume that such a deposit may not yet be discovered within transportable range of the western coalfields. In British Columbia this difficulty is not so marked, and, on Vancouver Island, the necessary conditions for iron smelting and steel manufacture seem to be present.

The inadequacy of rail transportation in North America is generally admitted at this time, and whether it is a breakdown of executive or operating conditions, or simply a reflex of social adjustments, it is difficult to form an opinion, but it is probably a combination of them all. Leaving this aside, the condition of rail transportation is causing much speculation on modes of improvement, prominent among which are proposals of electrification of steam roads, and long-distance motor-truck transportation, which is becoming more and more feasible with improvements of highways and truck design It. appears very likely that much development in both these directions will take place in the immediate future. The marked increase in motor manufacture in Canada shows that our manufacturers are reading the signs of the times, and this field has many possibilities in Canada, and is of interest to the steel trade in particular.—From Iron and Steel of Canada.

Halifax, N.S.—First cutting hay crop in Annapolis Valley equal to last year, which was twenty-five per cent above normal. Indications are that price will remain high for another year, and farmers having good crop this year will profit handsomely from cutting.

Calgary, Alta.—Keen demand for Alberta cattle on the United States markets is the report of A. A. Walters, of Walters & Dunbar, Livestock Commission Merchants of Chicago. This demand expected to increase in about thirty days when farms have harvested their corn. "Canadian cattle", Mr. Walters declared, "are pre-eminently suited for furnishing purposes. They will withstand the winter better than those from the Southern States and there is no doubt that stock raisers on the other side of the line will be able to absorb at good prices all the feeders and stockers that Alberta can supply."

Vernon, B.C.—The price of 23 shillings and sixpence for a forty-pound box of British Columbia apples, fixed by the British Ministry of Food, and to operate after November 15, will be attractive to the Okanagan fruit growers. It is estimated 300 cars of apples will be shipped to the United Kingdom from the valley this fall.

DIVIDEND NOTICE.

Canadian General Electric Co., Limited.

Common Stock Dividend No. 85.

Notice is hereby given that a Quarterly Dividend of two per cent for the three months ending the thirtieth day of September, 1920, being at the rate of eight per cent per annum, has been declared on the Common Stock of the Company.

Preference Stock Dividend No. 49.

Notice is also given that a Half-yearly Dividend of three and one-half per cent for the six months ending the thirtieth day of September, 1920, being at the rate of seven per cent per annum, has been declared on the Preference Stock of the Company.

The above Dividends are payable on and after the first day of October, 1920, to Shareholders of record at the close of business on the fifteenth day of September, 1920.

By Order of the Board,

W. H. NESBITT,
Secretary.

Toronto, August 26th, 1920.

The Bank of Nova Scotia.

DIVIDEND NO. 203.

Notice is hereby given that a Dividend at the rate of four per cent. on the paid-up Capital Stock of this Bank has been declared for the quarter ending September 30th next and that the same will be payable on and after Friday, the first day of October next, at any of the offices of the Bank, in Canada.

The Stock Transfer Book will be closed from the 16th to the 30th proximo, inclusive.

By order of the Board,

H. A. RICHARDSON,
General Manager.

Halifax, N.S., 13th August, 1920.