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## The Canadian Northern Bill

WE live in times when there are so many big events, so many transactions running into many millions, that some things attract comparatively little notice which not long ago would have been deemed startling in their character. A case in point is the bill now before the Dominion Parliament respecting the taking over by the Government of the Canadian Northern Railway Company's enterprise.

The Government are gravely proposing to refer to arbitration—a very friendly arbitration the proceedings indicate—the claim of Messrs. Mackenzie and Mann and their associates for at least sixty million dollars, as compensation for the portion of the company's stock that is not already held by the Government. A Commission of railway experts appointed by the Government recently made a report which declares that this sixty million dollars of Canadian Northern stock has no real value. The holders of it never paid a cent for it. Not a dollar from it entered the company's treasury. It is what in the promotion world is known as "water." It is only where an enterprise has been very successful, clearly earning more than enough to pay all its charges and interest on all its securities, that water of this kind is converted into the wine of value. That, unfortunately, has not been the case with the Canadian Northern. The stock has never earned a dividend. The earnings of the railway are admitted to be less than enough to pay the interest accruing on the bonds and debentures which stand ahead of the stock. It is not surprising, therefore, that the Commission, of which Sir Henry Drayton was chairman, found that this Canadian Northern stock was of no value. Yet the Government are asking Parliament to agree to an arbitration as to the value in the face of the claim publicly made by Sir William Mackenzie that the stock is worth par at least. Everything about the affair justifies a belief that if the bill be carried through Parliament, the country will be called upon to pay many millions of dollars for that which the Government's own experts have said has no value.

When the company received its last help from the Government, an agreement was reached that in event of the company again falling into financial difficulty the Government could take over the company's outstanding stock. Again the company are in distress. When the Government are told that they should exercise the power which they thus possess under their own law, the Minister of Finance, Sir Thomas White, and the Solicitor General, Mr. Meighen, pathetically plead that the country should not "confiscate" Messrs. Mackenzie and Mann's property. Such a plea puts the case on a ground that is entirely unwarranted and misleading.

Nobody is proposing to confiscate anybody's property. The Dominion is not expropriating the Canadian Northern. It is not acquiring the railway under any methods of pressure. It does not want the railway at all. There are many people in Canada who favor what is called nationalizing the railways, but even they have not contemplated such a transaction as is now proposed. If Messrs. Mackenzie and Mann and their associates can keep the property and fulfil the engagements attached to it, nobody will desire to interfere with their liberty to do so. But that is not the situation. After many difficulties, and after being generously helped by the Government, the promoters of the Canadian Northern confess that they have reached the end of their tether, and that they cannot meet their obligations. The enterprise unfortunately has become bankrupt. It is admitted that about twenty-five million dollars are required now to pay interest and short term obligations that cannot be renewed, not to speak of other large sums that will be needed later to carry out the programme of the enterprise. The extraordinary part of the situation is that the Government are proposing to assume all the company's obligations of the past, provide all this money for the present and future purposes of the enterprise, and to pay Messrs. Mackenzie and Mann, through the convenient process of an arbitration, an unknown number of millions for the privilege of doing so!

Messrs. Mackenzie and Mann played for a big stake. They were liberally helped by the Dominion and several of the Provinces. If all had gone well they would have won many millions of dollars. If the game has gone against them, is it reasonable that they shall ask that the people of Canada, who have already done so much to help the concern, shall come to the rescue and not only assume the obligations and pay many millions for further expenditure on the road, but also pay many millions (as is almost certain under the bill) not to go into the road, but to go into the pockets of the unsuccessful promoters? What is at the moment a great failure for them is by a kindly Government and Parliament to be suddenly converted into a tremendous success—at the expense of the taxpayers of Canada. In all their past bargains Messrs. Mackenzie and Mann have been able to plead that the money which they sought to raise was for the construction of their various lines of railway. Here is a new bargain in which they are to raise a huge sum—not in the money markets of the world, but from the people's treasury, not for the railway, but for themselves personally! And all the present indications point to their success.

Messrs. Mackenzie, Mann & Co. were contractors as well as promoters of the company. It is a fair assumption that in their capacity as contractors they have made the ordinary

profit of contractors, and that consequently, if they now drop out of the business, they will not go empty handed. But if upon a thorough investigation of the whole question it can be shown that these gentlemen have not, either as contractors or as salaried officers, or otherwise, reaped any reward for their labors, and if it be thought fair that they shall have some compensation for their services, some ground could be found for voting them such a sum in cash as would pay them a liberal allowance per annum for the portion of their time that they have given for a few years past to the effort to provide a transcontinental railway. Or, if it be thought desirable that, while ceasing to control, they should still have a financial interest in the enterprise that they have built up, — an opportunity to share in possible future profits, — it would be reasonable to give them, instead of a cash payment, a moderate amount of the company's stock (without voting power) and leave them to reap the dividends on it — when they are earned. For either of these methods of recognizing their services some argument could be advanced. It is not easy to find a sound argument for the extraordinary proposal to enter upon an arbitration in which they are to claim par value for the stock which all intelligent public opinion, backed by the report of the Government's own Commission, regards as having no present whatever — an arbitration which is almost certain to mulet the Dominion in many million dollars.

### Worth a Guinea a Box

AN English patent medicine sold at the modest price of a shilling a box was everywhere advertised by the company manufacturing it as "worth a guinea a box." A country chemist—in England a druggist—is a chemist who carried a stock of the medicine fell into financial difficulties, while he owed the company a considerable sum of money. He wrote to the company expressing his regret that he could not pay in cash, and he added: "I have on hand a quantity of your pills which you assure the public are worth a guinea a box. I am sending you a sufficient quantity, calculated at that rate, to pay your account."

There is a moral in this that may be usefully applied to the Canadian Northern Railway account at Ottawa. If it is admitted that the country owes anything to Messrs. Mackenzie and Mann for their services in promoting their enterprise, it is worth noting that Sir William Mackenzie, in a published interview, has declared with much emphasis that Canadian Northern Railway stock is worth at least one hundred cents on the dollar. It will be quite fair to take Sir William's estimate as correct for the purpose of settlement of any claim for services that can be made. Ascertain what part of their time has been given by Sir William and his partner to Canadian Northern affairs, then what profit, if any, they have made, and if it can be shown that there is a balance due them by way of compensation for services, let payment be made in Canadian Northern stock at one hundred cents on the dollar. Nothing could be fairer than that. Like the English chemist, the country is short of spare cash just now. But it can pay Sir William in his own wares at his own valuation.

### A Foolish Appeal

THE expediency of the enactment of the military conscription law is a legitimate subject for discussion, and for difference of opinion. The assumption manifested in some quarters, that all who do not approve of the

Government's course are lacking in desire to win the war is worse than nonsense. But while honest difference of opinion on such an important question must be respected, much of the criticism of the measure is of a very foolish character, and some of it still worse, because violent language may tend towards disorder. One very unwise feature of the platform discussion is the repeated appeal to the Governor-General to refuse his sanction to the measure. That is a very unsound ground to be taken by speakers who talk much about the rights of the people. It assumes the existence of a personal power in the Governor-General, which has no existence, and which, if he desired to claim it, would have to be opposed by all who believe in the principles of democracy.

The introduction of the Governor-General's name into the discussion is highly improper. The Governor-General, like the King himself, is a constitutional ruler, who governs, not according to his own will, but according to the advice of his counsellors responsible to Parliament. He can sometimes exercise a wholesome influence on the policy of his advisers, though what he may do in that direction can never be known to the public. Occasions, very rare, arise when he may properly differ from his advisers to such an extent as to refuse what they desire. In such a case a self-respecting Cabinet will resign. The Governor-General must, before he makes a break with his advisers, consider where he can find other advisers who will obtain the confidence of the country. There are occasions, very rare, when a bill enacted by the Senate and House of Commons may be held to so affect Imperial interests as to require the consideration of the Imperial Government. In such cases the Governor-General, with the assent of his ministers, will not at once sign the bill, but will reserve it for review by the Colonial Office in London. These exceptions only serve to make clear the general rule that the Governor-General acts under the advice of his Cabinet, that legislation promoted by them has his constitutional approval, and that in due course it will be confirmed by his signature. That is the situation respecting the Military Service bill. The Governor-General, in signing it, will discharge his duty as a constitutional ruler. Not the Governor-General, but his Cabinet, is responsible for the measure. Hence the Governor-General's name should not be brought into the discussion.

### Vain Peace

THE Pope should, above all things, endeavor to promote peace on earth and goodwill towards men. As the head of the greatest religious organization of the world, of a church which has its adherents in every one of the belligerent countries, he has an unquestioned right to ask that his voice be heard and that every suggestion he may offer shall be received with respect and shall have due consideration. Irresponsible critics may lightly set aside his proposals as the outcome of German influence. The responsible ministers of the various nations will feel bound to deal with them more deliberately and more respectfully, and to make a reasoned reply to his message.

The idea that the proposals have been made at the instance of the German Government is hardly warranted. The proposals, while less objectionable to Germany than to the Allies, are not such as Germany would initiate. They contemplate the restoration of territory to some of the Allied nations that Germany will be unwilling to agree to. More likely it is that

while, as he claims, holding to a position of impartiality, the Pope has been to a considerable extent influenced by conditions in Austria. Austria is the most distinctly Roman Catholic country in Europe. There are other so-called Catholic countries, but they do not accept the views of the Vatican with the same reverence that is exhibited by Austria. While His Holiness cannot fail to see the evils which the war has brought upon all the nations engaged in it he may be pardoned if he sees most clearly the situation of Austria and desires to save the dual monarchy from the ruin that threatens it. It is from Austria that comes the fullest approval of the Pope's proposals. Germany, the reports say, is willing to make the proposals a ground for opening peace negotiations; Austria gives them an unqualified approval.

That the Entente Allies will view the proposals with satisfaction is not to be expected. They have view-points which the Pope evidently has failed to fully appreciate. When His Holiness speaks of the honor of all the armies as safe he falls into an unhappy expression not unlike that of President Wilson, who, in one of his earlier notes, spoke of all the nations having a common purpose. It is too much to ask Britons and Frenchmen to agree that the honor of their armies, who have carried on the conflict with scrupulous regard for the laws of war, stands on the same plane with that of the German soldiers and sailors who, evidently with the approval of the authorities, committed the atrocities which have made the German name abhorrent to the civilized world. To ask the people of the Allied nations to forget these infamies and treat the German Government as a body capable of dealing with international questions on grounds of morality, and ready to respect any agreement that might be made, is to ask too much. Germany has in this war been the mad dog of Europe. The dog must be shot down before there can be any assurance of safety. Germany has proved in a hundred instances that she is amenable to no law except that of force. All the laws of God and man are to her but "scraps of paper" when they stand in her way. A peace with such a nation before she has been whipped into submission would be a vain peace and an invitation to her to renew her efforts at world-subjection so soon as she could recover from the exhaustion by which she is now faced.

### An Example for Canada

THE Minister of Finance will be interested in something that is occurring in far off India in connection with the financing of the war. The Indian Government has issued a war loan which has been very largely subscribed. The most interesting feature of the subscription is the fact that many of the applicants have religious objections to receiving interest. They are quite willing to lend their money to the Government, but they refuse to accept any interest on it. It is not sufficient to tell them that if they don't want interest they need not take it when it falls due. They wish it to be a part of their contract that their loan is not to carry interest. To meet their objections to the ordinary interest-bearing document, the Indian Government are issuing special certificates which provide that the loan shall be repaid at a specified time, but that no interest is to be paid on it.

Here is an opportunity for our capitalists to help the Finance Minister. If the Minister offers a special class of stock certificate bearing no interest, will there be a rush for it?

## The Trend of National Policy

Peace without annexations or indemnities — How Russia's aims may conflict with those of Great Britain, France and Italy

By W. W. SWANSON, Ph.D.

The statesmen of all the belligerent Great Powers have recently enunciated what they have termed their national policies during the rest of the present war and for the days of peace to come. The most notable contribution to the sum total of the stock of ideas on international affairs was made by Mr. Balfour, Secretary of State for Foreign Affairs in the United Kingdom. In an address which showed his profound knowledge and grasp of the situation, he outlined a policy under which the nations of the world might live for the future in peace—a policy which eschewed aggrandizement and emphasized the common interests of humanity. Nowhere else, not even at Washington, has such a pronouncement been made, with the possible exception of the speeches of Kerensky and the other leaders of Russian opinion. Mr. Lansing, as might be expected, delivered an address couched in the terms used by Lloyd George, Curzon, Carson and other leaders of the British democracy up until about a year ago—a speech which harmonized largely with Mr. Lloyd George's famous "fight to a knock-out" oration. This is not to be wondered at, since it is essential that the American government, as a whole, should act as a sort of advance agent in the country for the War Department until popular enthusiasm and determination to win the war shall have been assured. The tone of official Washington will be modified, undoubtedly, as the whole nation swings unitedly into the struggle. From Berlin and Vienna has come little or no indication that the Central Powers have abandoned their predatory projects. It is true that the Reichstag has passed a peace resolution, couched in vague and indefinite terms; and that King Karl has given assurances that a certain measure of autonomy will be granted to the constituent parts of the dual monarchy, in a federalized state. The Central Powers, nevertheless, maintain that they are fighting a defensive war, and that they will continue the struggle until the limit of their resources is reached. It must be remembered, in this connection, that both Germany and Austria have made much of the Russian shibboleth, "peace without annexations or indemnities." But, however much the press has emphasized this phrase, no official pronouncement as to its tenability has been made by either of the governments of the Central Powers. The truth is, that while German and Austrian statesmen have lost to a degree their belligerent tone, they by no means have given up the hope of fortifying the position of the Austro-German Empires as a result of the war. It, therefore, remains to inquire briefly just what Russia means by "no indemnities and no annexations," and to discover, if it be possible, what is likely to be the outcome of a peace drawn up in terms of this formula.

In the first place, let it be distinctly understood that no Russian statesman of standing, least of all Kerensky, has any thought of bringing Europe back to the conditions that prevailed in August, 1914. There has been an enormous amount of confusion of thought on this subject. Within the last month or so, copies of Kerensky's personal organ have reached London and New York, and the chief leading articles bearing upon the political and economic outcome of the war have been translated and made available for English readers. By a careful study of these expositions of the Russian formula, one finds that the leaders of the revolution do not preclude the possibility, and even the justice, of levying indemnities for purposes of reparation, and of building up the devastated areas, no matter where they may be, over which the contending armies have swept. Indeed, a specific proposition is put forward that all the belligerents contribute to a fund of 5,000 million pounds sterling to be used for that specific purpose. According to the terms of this proposal, Poland, Galicia, Serbia, and Belgium, as well as Northern France would be indemnified for the havoc wrought by the armies operating within these theatres of war. Kerensky and his associates advanced the idea that East Prussia should be recouped for its losses as well as Belgium and France; and that, since in their opinion all the Great Powers were responsible in more or less degree for the outbreak of hostilities, each should contribute to repairing the damage wrought. A rough and ready estimate thereof might be found in contributions made according to the war expenditures of the several Powers. This would measure, roughly, ability to pay, and apportion contributions according to the damage done by each com-

batant. It will thus be seen that the leaders of Russian life are by no means averse to the imposing of indemnities for certain definite and well-defined objects; they merely object to the predatory and punitive type of indemnity, such as that exacted from France by Prussia in 1870.

It is on the political side, however, that the Russian formula needs explication and orientation. The Russians, as has been remarked, are inflexibly averse to the re-imposition of such conditions as obtained before the outbreak of war in 1914—in other words to the status quo ante bellum. Kerensky and his followers demand that the frontiers of Europe be altered to coincide with the wish and will of the various nationalities concerned. On the one hand they repudiate annexations of territory that has come within the temporary control of a belligerent power; and on the other they insist that any significant or important population group shall have, as of right, the opportunity to express by plebiscite the specific government under which it wishes to live and pay allegiance to. This necessarily means that Russia abandons all claims to Constantinople, and to those parts of the Turkish Empire which her armies have overrun. It means specifically, also, that Poland is to be set up as an independent kingdom—a united Poland, under the type of government willed by its own people. Russia is irrevocably opposed to the establishment of the kind of Poland created, on paper, by King Karl and the German Kaiser. The Russian formula covers the reconstituting of any nationality that has been destroyed, as far as its political polity is concerned, in this or any past European war—that is to say, so long as the national consciousness, and a feeling of national solidarity, has persisted. According to this conception of the Russian position, Poland, for the future, will comprise Posen, Galicia and Russian Poland. It is just a little difficult to say how Kerensky and his followers propose to settle the Finnish problem, and that of the Ukraine; but it is safe to say that Finland and Little Russia will form federal, autonomist states in the future Russian Empire, and that all attempts at their Russification will be abandoned. On the other hand, it is scarcely fair to ask Russia to permit Finland to set up an independent government at Helsingfors.

Nevertheless, the Russian formula bristles with difficulties in its application to the ambitions of Italy, France and the United Kingdom—leaving aside for the moment those of Germany and Austria. Very few on this side of the water, or indeed in the United Kingdom itself, realize the full extent of Italy's aims. Italy demands nothing less than the whole coast of the Adriatic, including the Slavic section from Trieste south through the whole extent of Albania. In addition Italian Imperialists look with longing eyes upon the acquisition of Syria, which is more Greek than Italian, and in which, up to the present, French interests have predominated. The Italian problem, therefore, comprises more than the relatively simple disposition of Trieste and the Trentino; including as it does vast imperialistic designs. If Turkey is to be ousted from Europe, and its Asiatic possessions distributed among the Great Powers, Syria might perhaps as well fall to Italy's share as to that of any other European Power; but Russia, having abandoned its claims to Constantinople, cannot very well be called upon to fight for the aggrandizement of Italy. Russian peasants wish to plough Russian land, carved out of the vast estates of the nobility and now come into their possession; and see no real object in fighting for, or in demanding, foreign ground when they have sufficient of their own. This attitude raises almost insuperable difficulties for France, and the United Kingdom also.

As already remarked, Russia would determine frontiers, and the fate of frontier population, by making use of the plebiscite. But how could this instrument be applied to the settlement of the Alsace-Lorraine problem? Be it remembered that Russia cares nothing about the historical past; its interests lie in the living present. It cares not whether Alsace-Lorraine belonged to the Holy Roman Empire up to the days of Richelieu; or whether it was French territory from the time of Louis XIV up to 1870; and then torn from the living body of France. Russia does not propose to let the dead hand of a bygone generation strangle the life of present peoples. Kerensky and the leaders of Russian thought insist that any population shall have the right to decide,

by vote, its own destinies; and they would, therefore, apply the plebiscite to the solution of this bitter quarrel between France and Germany. But how can it be done? Metz and the territory adjacent thereto, is intensely French, and would vote for France; while the eastern part of Lorraine, at least, is pro-German. Be it remembered also—and this complicates the difficulties of the situation—that the rich iron mines essential to the industrial welfare of Germany, lie in the vicinity of Metz in a country intensely Francophile. It may be tentatively suggested, as has been done by various English students of international politics, that France guarantee to Germany that no barriers shall be placed upon the shipment of iron ores from Alsace-Lorraine to meet the needs of German industry. In that event, there would be some slight hope of reconciling France and Germany, by dividing Alsace-Lorraine between them.

There remains, in that event, perhaps the most formidable obstacle of all to the determination of peace according to the terms of the Russian formula. British statesmen, including those having the full confidence of the people, have publicly proclaimed that Great Britain will never relinquish its hold upon former German colonies. The United Kingdom, in this policy, has the strong support of both Australia and South Africa; the former having announced that it will never give up New Guinea or the Samoan Islands, and the latter that German rule must never be re-established in South Africa. Great Britain, as the whole world knows, certainly did not enter the war for territorial aggrandizement; yet the sweep of events, as in past wars, has put her in possession of colonies never coveted, but which she cannot let go. Students of international politics have not sufficiently recognized the value of tropical African possessions to a European industry—it may be said, indeed, their indispensability. And the Cape-to-Cairo railroad, Cecil Rhodes' great dream, has become at length a question of practical politics. Germany must be driven out of Africa for the safety not only of the Union of South Africa, but of Egypt as well; and she must be driven out of Asia Minor for the protection of India. Thus, even with the wide interpretation of the Russian formula as outlined above, it offers but faint hopes for the immediate establishment of peace. And certainly it cannot do so until Germany and Austria are willing to come within its scope—a proposal wholly visionary at the present time.

### THE TRUE MORALITY.

(Boston News Bureau.)

If, after mature consideration, the 17 nations allied in arms against the Teuton confederacy, find unacceptable the Vatican suggestions of a peace basis, there is little doubt but that loud Teuton emphasis will be put on the burden and the blame of such rejection. It will be declared highly immoral.

Often before now the allies, and with them America while still a neutral and exercising the combined duties and prerogatives of neutral, have been accused in such Teuton quarters of "prolonging" the carnage. The woes and waste of war were dwelt upon with a harrowing detail quite out of line with the former Teuton glorification of war in general, and with the spirit in which the present war was started.

The palpable motive behind such new Teuton infatuation with the beauties of peace was the desire to leave aggression, foiled of its full ambitions, secure in such conquest as it did achieve. To-day, with sharper need of peace and heavier weariness of war, there succeeds a willingness to quit with little apparent gain, if only defeat and its deserved expiations may be dodged, and the system and the strength of aggression be left intact to recuperate at leisure.

### HOW LLOYD-GEORGE KEEPS UP.

"Have you ever noticed that Lloyd-George makes excruciating excursions into Wales? Of course you have, but what of it? Oh, nothing, nothing at all, only you may perhaps have also noticed that the majority of the inhabitants of Wales are Welshmen who speak Welsh—a language which conveys no meaning whatever to any other nation on God's earth and which I often doubt whether they really understand themselves. Very well, then, Lloyd George goes down to Wales, and makes speeches in Welsh. Nobody knows what he says—I don't, you don't, and I daresay he doesn't—but I'll lay a pound to a brick that during those speeches he gets off his chest all the unparliamentary expression that have been simmering inside him for months.—The Passing Show.

# Banking and Business Affairs in the U. S.

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

## INTERNATIONAL LOANS.

NEW YORK, August 25th, 1917.

Foreign financing, actual or proposed, has occupied the attention of the Government and the banks for some days past.

Messrs. J. P. Morgan & Co. recently announced the sale of \$15,000,000 of ninety-day British Treasury bills on a 5% per cent basis. This is part of a total of \$150,000,000 to be placed by the firm named from time to time, not at a fixed rate of interest, but at such rate as the market may warrant when each issue is made. The bills are the direct obligations of the United Kingdom and are payable in dollars in New York.

An advance of some \$20,000,000 to Greece is also in prospect, the funds to be used in aid of the participation of that country in the war.

The Government, on August 24th, made a further loan of \$100,000,000 to Russia, bringing the total advances to that country since the war began up to \$275,000,000.

Proposals for a loan to Mexico are awaiting action, with the ultimate course of the bankers and Government of the United States in respect to the matter remaining to be determined.

Importance attaches to the new Russian loan as being evidence of the confidence maintained in the Government and people of that country by the United States, notwithstanding the recent disquieting rumors. Announcement of this confidence was made by the American Secretary of State in a communication to the Russian Ambassador at Washington within the last few days.

It is not without significance that unfavorable news from Russia no longer excites our markets. Whether this comparative indifference relating to a matter of such great importance arises from a settled belief in the ability of the Russian ship of State to right itself, or is due to the fact that this feature of the situation has been "discounted" already, it would be impossible to determine.

## THE BANKING POSITION.

As bearing on the banking position, and also an important manufacturing industry, the statement given below is of interest. It is derived from an annual crop and business summary issued by the Continental and Commercial National Bank of Chicago, and possesses the special value of being based upon reports received from the bank's large number of correspondents, chiefly located in the great agricultural section of the country. The statement, which was made available for publication on August 27th, follows:

"The banking position in this country, all things considered, is remarkably strong and the credit situation apparently is equally sound. Banks through the lean years that recently were experienced when money rates were excessively low have been managed with a conservatism that is remarkable. The tremendous increase in our gold holding, now reaching between 35 and 40 per cent of the world's stock, and its mobilization in the Federal Reserve has given the country a reserve power for circulation expansion of more than \$1,500,000,000, should it be needed. This in itself is an assurance to business men that banks with good commercial assets have adequate facilities for rediscount to meet almost any requirements without disturbing business.

"Loans at the banks aggregate more than ever before, but this is explained by the industrial activity, the borrowings by government contractors, who will not receive returns on their output until deliveries are made and to the government financing. Money is decidedly firmer than last year and this affords a better profit with smaller hazards and makes for a healthier banking situation. There are indications of a continuation of a firm money market through the fall.

"From all industries, with here and there exception due to local conditions, business men and banks report collections very good. In the implement business especially is this true. From the farm implement industry comes information that indicates a disposition on the part of the farmer to take advantage of the tremendous returns that he has received on his products by

paying a greater percentage of the purchase price for his implements in cash. This has strengthened the position of the implement makers. Several of these manufacturers have reported that the cash payments aggregate nearly one-half of their sales whereas in previous years the cash receipts ran from about 20 to 25 per cent of the sales. As the farmer is a considerable element in the buying power of the country this development is exceedingly encouraging, especially in view of the attitude of the government in stimulating agricultural production through the establishment of a minimum price that affords a wide margin of profit to the producer."

## FIXING OF COAL PRICES.

We are to have the prices of both anthracite and bituminous coal fixed by the Government of the United States from now on, and the complaint of the coal operators, that the prices which have been named are too low to insure production, has called forth the counter statement that if necessary to maintain production the Government will seize the mines and compel their operation.

This policy perhaps marks the beginning of a plan whereby the great productive industries of the country will be gradually brought under partial or complete Governmental control and direction. Those who thought that the people of the country would submit to exorbitant prices, or that the necessity for war materials would be subordinated to any demands whatsoever, are awakening to the fact that the Government of the United States has in solemn earnest entered upon the undertaking of helping to finish up the European War, and that in carrying out this purpose all private interests must give way.

The assumption that a profit must be shown in order to induce production gives way to the higher law that above profit lies the question of the nation's continued independent existence. Personal comfort and convenience, and the making of profits, will for the time being have to wait upon the decision of this vastly more momentous question.

Should the great captains of industry find any lack of incentive to produce at the price which the Government, after careful analysis and investigation in each particular case, considers fair, the steps essential to production will be promptly taken, even if it involves the complete substitution of the Government as temporary proprietor and operator of all the industries in the country, including the railroads. No one expects at the present moment that any such drastic proceedings will become necessary, but it is well, both at home and abroad, to realize that there will be no temporizing with the situation should vigorous action become necessary.

Already the young men of the country have been conscripted into the nation's service. Capital and labor need have no doubts whatever that as and when necessary they will be treated in the same peremptory fashion.

## GETTING GOLD INTO THE FEDERAL RESERVE BANKS.

Whatever opinion may have been held as to the propriety of reducing the legal reserves of the National banks, and permitting these institutions to keep all their required reserves on deposit with the Federal Reserve Banks, it has now become apparent that the practical result of this policy, for the time being, is to concentrate the country's gold stock more largely in the hands of the Federal Reserve Banks.

Recently the Federal Reserve Banks of New York sent out requests to member and non-member banks to send in their gold coin and gold certificates to the Federal Reserve Bank, in order to strengthen the position of that institution. The result of this request is said to have been very gratifying.

There is supposed to be still in general circulation, outside the Treasury and the banks, a sum in gold estimated at about \$500,000,000, and the banks have been asked, as this money is turned in, to transfer it to the Federal Reserve Bank, the latter either exchanging its notes therefor or giving the remitting bank credit at the Federal Reserve Bank or any New York bank.

The amounts of gold encountered in hand-to-hand circulation hardly warrant the belief that there is so large an amount as \$500,000,000 outside the Treasury

and the banks. In fact, in most sections of the country there is so little gold circulated that the metal is almost a curiosity. This does not apply to the Pacific Coast and to certain of the States in the Rocky Mountain section, but even there gold is not so widely circulated as formerly.

Some of the gold accounted as being in circulation has left the country without giving evidence of its departure, while a material sum is undoubtedly hoarded. Bankers quite frequently tell of the practice of certain of their depositors to withdraw gold and lock it up in safe deposit vaults, a practice which undoubtedly grows in time of war or of distrust from any cause.

As a matter of fact, the timid person who holds a currency note of any kind need have no fear, for in substance every form of money issued is an obligation of the United States Government for a sum in gold equivalent to the amount expressed on the face of the note.

## RESOURCES AND POPULATION AS ELEMENTS OF WAR STRENGTH.

An influential economic journal in London has recently raised the point that perhaps the British Empire has relied too much on the potency of material resources and population as a means of winning the war. Whatever validity there may be in this point of view would seem to be applicable as well to the United States. Perhaps in strict justice to both countries it ought to be said that the natural confidence felt in men and money at the outset has been modified, more completely in the case of Great Britain than in that of the United States, owing to the difference in time the respective countries have been engaged in war.

There was undoubtedly in this country some disposition to feel at the outset that Germany was to be mightily impressed, if not actually overwhelmed, by the simple fact that a nation of such large population and resources had been added to the number of her foes. The indifference with which Germany regarded the entrance of the United States into the war was no doubt assumed, and was merely a part of the general policy of braggadocio by which that country has sought to convince the world of its invincibility. Nevertheless, so long as the United States was expected to win the war merely by quoting statistics of population and wealth, Germany had some justification for looking upon us as an enemy not to be dreaded.

The opinion may be here expressed with some knowledge of what is going on that our participation in the war from henceforward will go far beyond the citation of figures furnished by the census bureau.

Population and natural resources are of immense value in winning a war, though of themselves they are hardly the determining factors. The effectiveness with which men and resources are used and the spirit of the people count for more than numbers and money. Natural resources are valuable only as applied to the task at hand. Important as food is in the war, no one would seriously pretend that a fat and well-fed regiment from Broadway would be a match for the poorly-fed but well-trained and determined soldiery that might be encountered on almost any European battlefield.

But, as stated, there exists in the United States but little disposition now to pin our faith entirely to numbers or wealth. It is, of course, fortunate that we have available a large number of men, even if untrained, for men are needed; and also that we have money, for money is wanted. Our resources in food and materials will also assist most powerfully in helping to win the war. Behind all these material forces, however, there has slowly emerged a spirit of calm and earnest determination to put forth an effort which will reflect not the glory of the America of the men of great wealth, but that will cause to be remembered the lofty spirit of the pioneers who laid broad and strong the foundations of our present power.

## BUSINESS CONDITIONS.

No marked change has occurred in the business situation in the past week. Government activities are growing in importance day by day. Already expenditures, on our own account and for loans to the Allies, have reached the enormous total of \$24,000,000 every twenty-four hours. These figures have been reached after some four months of war, and an increase instead of a diminution may be expected for some time to come.

Bank clearings throughout the country this week were slightly below the figures of the preceding six days, but still well above those of a year ago. So many special transactions of a temporary character

(Continued on page 12).

## Conditions in the West

By E. CORA HIND.

ASSINIBOIA, Sask., Aug. 22.

I wrote you last from Virden, Manitoba; I spent the balance of last week in north-western Manitoba and on the Portage la Prairie plains, and found conditions in these sections very good indeed. Crop of wheat is well matured, heads long and filled to the top; kernels full and color bright. It will be a most satisfactory crop to handle.

Business and professional men in the small towns are closing their places of business at 4.30 daily, and going out to the country and stooking until dark. This is to prevent the farmers having to pay \$3.50 and \$4.00 a day for stokers, the prices which our French-Canadian friends from Quebec and our Austrian friends at home have the nerve to ask.

The last three days I have spent in southwestern Saskatchewan, cutting across country just about midway between the International boundary and the main line of the C. P. R. This is one of the big wheat areas. Conditions as to crop are very mixed. Wherever wheat was put in on well cultivated land the crop is good, much of it having from 25 to 35 bushels per acre. Large areas, however, were put in on stubble, without further cultivation, and these are short, thin and desperately weedy, and much of it will not go over 8 bushels to the acre.

Striking the Soo line at Weyburn, the conditions are much better, though where anything was put in on stubble is poor. Oats, however, are a better crop.

Leaving Weyburn for the West, there is a long stretch of light land which has been very dry and

much of this has simply been mowed down for what feed there is on it. In this territory there is considerable late flax, which is very short, but a heavy rain which fell yesterday will help this materially, and it may yet yield a fair return. Any flax that is mature at the present date is a very light crop, with a small bright seed.

In all the country around since my last letter there are many bunches of good cattle and hundreds of young feeders. All are sleek and fat. In view of the shortage of hay, a larger percentage than usual will be marketed right off the stubble. Experienced stockmen, however, do not anticipate the usual fall drop in prices. Packing houses, especially Western houses are persistent buyers, and are even trying to contract ahead in the country. Winnipeg market has held steady and continued to advance in face of unusually heavy receipts for the time of year.

Hogs are strong and conditions in the country indicate that they have been very closely marketed. Demand from Eastern Canadian packers is very insistent, and prices are nothing short of prohibitive to the ordinary consumer. Price as well as patriotism will make meatless days so far as bacon is concerned.

### WOOL.

The wool crop of the west is pretty well marketed, and all the provinces have done remarkably well. Manitoba fell considerably below Alberta, mainly because Alberta has a larger percentage of the fine grades.

Root valley. The southern part of Idaho will have about 2,200 cars and the Lewiston district 250 cars. These figures show a total crop for the Northwest States of about 21,500 cars. This is just a shade less than the final crop last year.

Michigan.—The State of Michigan does not expect more than 40 per cent of a normal apple crop. Weather conditions have been very unfavorable. Early apples give better promise than the fall and winter varieties. Baldwins are particularly light.

New York State.—The apple crop in western New York is expected to be the smallest in years. The shortage is due to the light crop of Baldwins which is the principal variety in this section. The total crop will not greatly exceed 50 per cent of last year.

### GENERAL NOTES.

During the afternoon of August 10 a very severe wind storm, approaching almost to a tornado, swept through the Annapolis valley. Trees were twisted, branches torn off, and much fruit blown to the ground. It has been difficult to secure an accurate estimate of the damage caused. In some exposed orchards as much as from 40 to 50 per cent of the crop was destroyed, while in protected areas comparatively little damage was caused. The most general report seems to be that the total crop in the valley was reduced between 20 and 25 per cent. This represents a loss of about 200,000 barrels. The storm also did some damage in New Brunswick and Prince Edward Island.

The Secretary of the Colonial Office in London has notified the Canadian High Commissioner's office that "the Board of Customs and Excise have decided to admit, under the general license issued to them, all dried fruits of British origin in respect of what any satisfactory evidence of such origin is produced to the collector at the port of arrival in the United Kingdom, and will not insist upon certificates of origin in the case of dried fruits imported from Canada, if your Government would prefer not to issue such certificates."

Several reports received from California state the orange crop there is almost a failure. It is generally estimated at between 5 and 7½ per cent of normal. Failure of the crop was due to excessive heat during the blossoming period, accompanied by a hot wind which shrivelled up the blossoms in nearly all sections. This means that there will be practically no California oranges in the markets next winter, and consequently an increased demand for apples in Canada and the United States. The effect will be important and will no doubt offset the increased supply of Canadian apples brought about by the British embargo, and also considerably lessen the quantity of apples imported from the United States.

Telegraphic reports are now being published at the office of the Fruit Commissioner, Ottawa, every Tuesday and Friday. These reports contain the very latest information from producing centres, and also quote wholesale prices in the leading Canadian markets. Any one not receiving these can do so upon application. Should any growers be willing to wire information (collect) regarding conditions in their district, such reports will be gladly received and published if it is considered accurate and valuable information.

### PRICES AND MARKETS.

So far as the fruit season has advanced, prices have been exceptionally high, and it is generally supposed that they will be maintained at a satisfactory level. Raspberries and currants have commanded record prices. Consequently there should be no fear as to prices, so far as producers are concerned.

The question of marketing narrows itself down to a problem to be settled by Nova Scotia. British Columbia will not be able to supply the demand in the prairies. Ontario will cater to those markets to some extent, but her crop is very small. Quebec cannot pack enough apples to meet local needs. Consequently the crop in Nova Scotia, which cannot be exported on account of the British embargo, will have to be distributed in such a way that the markets ordinarily fed by Ontario will receive their usual quota, or as nearly so as possible. Cities as far west as Regina and Saskatoon will undoubtedly receive Annapolis valley apples this year and large quantities will be marketed in Montreal, Ottawa, Toronto and other eastern cities.

There is no cause for any panic. We strongly reiterate what we said in our last report, that there will be a fair market in Canada for all our apples. If adequate distribution is arranged we have every reason to believe that prices will be satisfactory and growers should not be stampeded into accepting unreasonably low returns.

## Fruit Crop Report

Department of Agriculture --- Food Commissioner's Branch

OTTAWA, August 21, 1917.

### WEATHER CONDITIONS.

In eastern Canada there was a prolonged season of hot, dry weather during July and the early part of August, following immediately upon the continued wet weather which was mentioned in our last report. About a week ago local showers in nearly all fruit-producing areas relieved the situation, and conditions are now favorable. In Nova Scotia rain fell almost continuously for forty-eight hours after the severe wind storm of August 10.

Conditions have been generally unfavorable in British Columbia, especially in irrigated sections, where the lack of water has been the cause of many complaints. The trees have suffered and the fruit is considerably smaller in size than at this time in ordinary years.

### APPLES.

Since our last report was issued, prospects have fallen off slightly in British Columbia and remained about the same in Ontario and Quebec. The Annapolis Valley early in August estimated the crop at nearly one million barrels, which was 20 per cent larger than our July report indicated. A wind storm on August 10 brought the crop down 20 per cent. Estimates now being received vary considerably, but 750,000 barrels is probably about correct. In Ontario and Quebec the common slogan is "Scarce and scabby," and that about covers the situation in most sections so far as winter varieties are concerned. Early apples are better. British Columbia will have just as many apples as last year, but on account of small size may not pack as many boxes. The fruit and trees have suffered considerably on account of a scarcity of water for irrigation.

### PEACHES.

Conditions have not materially changed in Niagara since our last report was published. The best reports have been received from the district bordering on the Niagara river, where a good average crop is expected in some orchards. St. Catharines and Winona estimate the crop at 40 per cent and at Beamsville only 25 per cent is expected, which is less favorable than anywhere else in the peninsula. Our July estimate of a 50 per cent crop in Niagara remains about correct. Admiral Dewey, Alexander, Early Rivers, and Triumph, are expected to move freely about August 24.

The crop is light in Lambton and Kent, and a failure in Essex. So far as Lambton is concerned, the entire crop is confined to orchards bordering on Lake Huron, where there is a 50 per cent crop. Elsewhere in the county the crop is a failure. A fair crop is expected in the Okanagan valley.

### GRAPES.

The Niagara grape crop gives promise for about 60 per cent of a normal yield. The crop has been somewhat reduced by mildew around St. Catharines. Concord and Worden are later than usual, but give favorable promise. The demand is apparently going to be very strong. A very good crop is reported in Essex county.

### PEARS.

The estimates in Niagara remain the same as in our last reports. Bartlett, Anjou, Duchess and Clargau light to medium; Keiffers, medium to fair; Giffords are expected to move on August 20. Other reports have been received from Ontario as follows: Lambton, 25 per cent; Essex, light; Georgian Bay, very light; Burlington, very light except Keiffers; Middlesex, failure; Eastern Ontario, medium. There is a poor crop in the Annapolis valley. British Columbia reports a medium to full crop in the Okanagan valley with a light crop in the Kootenays.

### PLUMS.

There has been a heavy dropping in Niagara, especially of European varieties, and rot is serious. Prospects are therefore not so favorable as last month. Abundance, Washington, Greengage and Burbank are now moving. Prunes and Damsons give the best promise at Winona. The crop is light in the Georgian Bay district, in Essex county and Nova Scotia. East of Toronto the crop is fair. Lambton estimates the crop from 30 to 35 per cent. The Burlington district has a fair crop of Japanese varieties but others are light. The crop is fair in the Kootenay valley, but less favorable in the Okanagan.

### TOMATOES.

The general condition of the tomato crop is none too satisfactory. In many sections of eastern Canada heavy rains in early July did much damage and the prolonged dry weather since then has kept the fruit small, especially early varieties. Later varieties have been much helped by recent showers. In practically all sections the crop is later than usual. Yields are reported good in British Columbia, Nova Scotia and western Ontario. Niagara and Essex will have a fair crop of late varieties, but early varieties are light. Severe injury by rotting is reported from Burlington.

### UNITED STATES PROSPECTS.

Northwest States.—The Washington crop is estimated at about 16,000 cars. Of this total the Yakima-Wenatchee district will furnish 15,000 cars and the balance will be divided between Walla Walla and Spokane districts. In Oregon, the Hood River crop is estimated at 1,200 cars and the Rogue River Valley district is expected to produce 1,500. The Montana crop is reported to be 500 cars, all in the Bitter

## Devise of Life Insurance to Wife or Children

Specially written for the Journal of Commerce by M. L. HAYWARD, B.C.L.

In practically all the Provinces, acts have been passed "to secure to wives and children the benefit of life insurance," and cases arising under these acts have been before the Canadian Courts on several occasions, especially in the Province of Ontario.

The general effect of these acts is that any insured person may, by any writing identifying any insurance policy by its number or otherwise, declare and provide that the policy shall be in trust for the benefit of wives and children free from the control of the creditors.

One of the first questions then arises is, if a person has a life insurance policy, and by a will, bequeaths the proceeds of the policy to a wife or children, is the will a "writing" within the meaning of the law?

This point has been before the Ontario Courts in three or four cases, in all of which it has been decided that such a declaration may be made by a will.

As to what is a sufficient identification of the policy "by number or otherwise," there has been more uncertainty, but in one Ontario case it was held that where a party bequeaths the proceeds "of all life insurance policies" to the wife or children, or where he makes certain bequests and then bequeaths the residue of his estate, "including life insurance," to wife or children, it is a sufficient identification of the policy to comply with the terms of the Act.

In another Ontario case a party made a will bequeathing the sum of \$1,000 "to be paid out of the insurance money on my life at my decease," and there was only one policy of insurance on his life either at the time the will was made or thereafter, and the question was whether this was a sufficient identification of the policy. The Ontario Court held that it was.

"The wording here is certainly very general," said the Judge, "but, the fact being admitted that the policy in question existed at the time, and was the only policy of insurance upon the life of the deceased, either then or subsequent thereto until his death, there can be no doubt, I think, that the testator, at all events referred to the policy in question, and, having regard to the facts that there could be no question as to what policy he did refer to."

Probably the most important case along this line, decided by the Canadian Courts is the case of *Arnold vs. Dominion Trust Company*, recently passed upon by the British Columbia Courts, the case having arisen out of a rather peculiar state of facts, and a peculiarly worded will, and the amount of money involved being somewhat large.

The case in question arose out of the operations of the Dominion Trust Company, and the death of W. R. Arnold, the manager. Arnold carried a very heavy insurance—in fact, over \$200,000 of insurance money was collected, while some of the companies resisted payment. Before his death Arnold made a will in the words and figures following:

"The first \$75,000 collected on account of policies of life insurance I give to my wife," with other provisions in reference to disposal of the funds.

The British Columbia Act relating to the matter is as follows:—

In case a policy of insurance effected by a man on his life is expressed upon the face of it to be for the benefit of his wife, or of his wife and children, or any of them, or in case he has heretofore indorsed, or may hereafter indorse, or by any writing identifying the policy by its number or otherwise has made, or may hereafter make, a declaration that the policy is for the benefit of his wife, or his wife and children, or any of them, such policy shall ensure and be deemed a trust for the benefit of his wife for her separate use, and of his children, or any of them, according to the intent so expressed or declared; and so long as any object of the trust remains, the money payable under the policy shall not be subject to the control of the husband or his creditors, or form part of his estate when the sum secured by the policy becomes payable.

The question then was whether the will bequeathing the insurance money to the wife was "any writing" within the meaning of the Act, and on this point the British Columbia Court followed the Ontario decisions to the same effect.

Then the question was whether the will in question was a writing "identifying the policy by its number or otherwise," and the point was one of "first impression," as the lawyers say, as none of the Ontario cases was exactly in point.

Judge Macdonald, who tried the case, decided against the claim of the wife, on the ground that where there are several policies for a total amount exceeding the sum named in the will a bequest of a certain smaller sum to be paid out of life insurance generally is not a sufficient "identification" of the policies.

In deciding the case the Judge made the following general observations in reference to the insurance acts:—

"The Act was passed as a remedial measure and of assistance in effecting one of the principal benefits of life insurance. It was intended, notwithstanding the terms of the contract with the insurance company, that the assured could of his own volition vary the same and make provision for his dependents in case of death. It is limited in its operation to his wife and children. I think, under such circumstances, that the Act should receive such fair, large and liberal construction and interpretation as will best insure the attainment of its object." No decision has been cited to me on the point, in which the facts are on all fours with those presented in this case."

Notwithstanding the foregoing, the decision was against the widow, the Judge relying strongly on an Ontario case where the Court refused to uphold a will bequeathing to a wife one of four policies (all of a similar description) without any further reference to any particular policy. In that case the Ontario Judge had said:—

"I should go far beyond any decision yet pronounced in favour of preferred beneficiaries upon the question of identification under the statute. In my opinion it is not possible to maintain that a bequest of one of four policies, any one of which may be selected to answer a bequest, is such a designation as meets the requirements of the statute—that the policy shall be identified by number or otherwise."

"It is admitted," concluded Judge Macdonald, "in this case that W. R. Arnold had a number of policies in force at the time when he made his will. The face of such policies exceeded \$75,000, and it is thus doubtful out of which policies the testator expected or intended such amount to be paid. It is thus contended that even if a will can by apt terms operate so as to comply with the Act that the language of the will in question falls short of the identification contemplated and intended by the statute. He could easily have identified a particular policy in the will. He did not do so, however. Can the wife and children under the terms of the will obtain the benefit of the Act without some such compliance? I think that while the intention of the testator to appropriate the proceeds of insurance is quite clear, still, this is not sufficient: I should not as a Court of first instance, hold that the policies have been properly identified so as to comply with the statute. If I decided otherwise, I feel that I would be going farther than the decisions warrant. It was uncertain at the time when the will was made, or when Mrs. Arnold was informed as to the provisions of the will, as to what policy or policies would afford the moneys to pay the \$75,000. This is still unascertained. There is not the 'clear, sure and certain identification which seems to be imperative, having regard to the repeated and particular expressions of the Insurance Act.'"

"It is to be regretted that the testator did not implement his intention of providing for his dependents out of his life insurance—in a legal manner. In my opinion, the statute permitting this course to be pursued for the benefit of wives and children has not been complied with. The moneys collected from the life insurance policies are not available for payment of the \$75,000."

The case was appealed to the British Columbia Court of Appeal, and two Judges held that Judge Macdonald was right; while Judges Martin and McPhillips decided that the will was sufficient and that the widow was entitled to the \$75,000 fund.

"To illustrate the point," said the former Judge, "if at the time of the present declaration in the will there were ten policies in existence, but all had since lapsed save one, there could then be no doubt about the identification whatever—it would be a certainty. And if two only remained for \$50,000 each, there would still be a certainty for both would have to be resorted to in order to complete the trust. So, in my opinion, there can be no real lack of identification where all are made liable to a contribution wholly or in part, from which liability they may be freed by payments from one or more of the whole group charged; in such case there is from the outset the certainty that all are liable and none is discharged till payment of the whole specified amount is made to the beneficiary. Again, by illustration—if the insured had four policies in four different companies for \$5,000, \$10,000, \$15,000 and \$20,000, respectively, they could be jointly charged for a whole sum of \$25,000 just as effectually as they could be severally charged for a part thereof. And it is easy to imagine circumstances in which a careful and prudent policyholder would seek to guard against any failure of the intended trust by making a joint charge of \$20,000 upon four policies aggregating \$50,000, instead of a several charge of \$5,000 upon each of them; as time goes by he may have reason to doubt the financial standing of one or more of them; or the forfeiture, or non-contestable, or other clauses might not be so favourable in all; or he might wish to guard against the consequence of any oversight in payment of premiums; or delay in payment by any company which might for a special reason wish to contest payment, thereby causing expensive litigation as well as a postponement of the intended benefit, which is almost invariably urgently needed. Therefore, I am of the opinion that the Court should hesitate long before depriving his widow and children of the result of his foresight and business acumen in minimizing and distributing the risk of any failure of the intended trust by making a joint instead of a several charge. There is absolutely no distinction in principle, and cases ought to be decided upon principle and not upon attempts to change principles to meet new and ever varying facts. I regard the words here employed—'The first \$75,000 collected on account of policies of life insurance'—as equivalent to 'all my policies of life insurance,' for the testator was unquestionably speaking of his own insurance, and 'my policies' means 'all my policies' just as 'my goods and chattels' means 'all my goods and chattels' unless further words of limitation are employed."

The following quotations from the judgment of Judge McPhillips will also repay a careful perusal:

"Turning to the precise matter we have for decision, it appears to me to be simple in the extreme. All the insurance of the testator is dealt with in the declaration as contained in the will; the fund is identified; the policies are all the policies upon the life of the testator that are dealt with in the writing. Is it difficult to identify or find these policies? It is highly unreasonable to so construe the statute law as to render it nugatory, void and of no effect, and ask for the number of the policies or other particular identification when the declaration, in its effect, covers all policies; that a portion of the moneys only are to go to the wife matters not, the whole might have been given, but, save as to the \$75,000, the creditors of the estate are entitled to the moneys. When it is considered that it was the plain intention of the legislature to make provision, whereby the husband could, even as against his creditors, protect his wife and children from penury, it would be frittering away the benefit intended, to so construe the statute law as to render it almost impossible under certain conditions to obtain the benefit clearly intended by the legislature. It is not difficult to call into mind situations and circumstances when the husband would be unable to have the policies at hand, or would know the numbers thereof, or even remember the names of the companies; and can it for a moment be considered that the intention of the legislature was that the language used should in such a case, without this information available, render it impossible for the husband to comply with the statute? The answer must be, that the spirit and intention of the legislature was to enable the husband to make the declaration in any reasonable and rational way, and the language is 'by any writing identifying the policy by its number or otherwise, has made or may hereafter make a declaration that the policy is for the benefit of his wife or of his wife and children.'"

The Court being equally divided—two and two—Judge Macdonald's judgment was sustained, so that the decision will be good law in British Columbia unless the case is carried to the Supreme Court of Canada and reversed on appeal.

# The Banks' Commercial Loans and Discounts

In the third year of war the downward tendency was reversed

By H. M. P. ECKARDT.

As the war drags along, the proportion of the assets of the Canadian banks invested in loans and discounts to commercial and industrial customers has tended to decline. During the period of expansion which came to an end in 1913, the commercial loans and discounts, as shown in the bank returns under heading, the "Current Loans and Discounts in Canada," ran at approximately two-thirds of the total assets; and, after the general liquidation in the latter part of 1913 and in the first half of 1914, the item was still more than half of the total resources of the banks. On July 31st, 1914, just before the British Empire entered the war, the commercial loans stood at \$840,000,000, while total assets were \$1,568,000,000—the former being roundly 54 per cent of the latter. Throughout the first year of war there was steady liquidation of these banking advances. Bankers and business men were very apprehensive as to the results of the cataclysm; and both were anxious to get the lines of credit cut down to the smallest limits compatible with the proper carrying on of business. This was the period of the furious battles around Ypres, in one of which, at St. Julien and Langemarck, Canada received her first severe blow. The military aspect then was characterized by deep gloom, relieved though it was a short time by the psychological effects of the Battle of the Marne. Necessarily this pessimism made itself felt in the financial situation. Nobody wished to be unduly extended while the outlook was so uncertain. At the end of the first year of war the total assets of the banks were practically at the same level as in July, 1914, \$1,558,000,000—but the commercial loans had decreased \$82,000,000, and the loans then represented 49 per cent of the assets. The funds withdrawn from current loans went mostly to the Dominion Government—the banks taking and holding the new issues of uncovered Dominion notes, and one of them (the Bank of Montreal) lending \$10,000,000 to the Finance Minister on short date notes.

Although there was expansion of commercial loans in the fall of 1915 and again in the spring of 1916, the end of the second year of war saw the total down to \$740,000,000, or \$18,000,000 less than in July, 1916. There had been, however, a phenomenal increase of the banking assets—the total rising in this period from \$1,558,000,000 to \$1,841,000,000, a gain of \$283,000,000. The percentage of commercial loans thus dropped to 40, as against 49 in 1915, and 54 in 1914. The bank funds in the second year of the great struggle went mainly into two departments. Their holdings of securities increased \$120,000,000—this being a reflection of the loans to the British Government in connection with the operations of the Imperial Munitions Board, and of temporary loans to the Dominion; and their cash reserves were strengthened by \$117,000,000—this being called for by the great increase of their liabilities. With reference to the further liquidation of commercial loans ensuing in this period, it is not to be ascribed so much to forcible action by the banks or to the desire of their customers to shorten sail, as to the wonderful wheat yield in the western provinces. The crop of 1915, far surpassing all previous records, was the direct cause of phenomenal activity not only in the fall of that year, but also throughout the spring and summer of 1916. Grain prices also being higher than usual, the farmers were able to clear off a tremendous amount of debt; and this development naturally had a strong tendency eventually to reduce the current discounts of the banks. In this year, too, the munition-making industry began to attain great importance—the output of the factories engaged in this work being largely responsible for the increase of Canada's manufactured exports to twelve and fifteen times the value of such exports prior to the war.

The third year of war saw the commercial discounts of the banks turned definitely upwards. From \$740,000,000 on July 31st, 1916, the total rose to \$820,000,000 on December 31st; and, after a drop of \$14,000,000 in January, 1917, it reached the high level of \$880,000,000 on April 29th, surpassing all pre-war records (allowance being made for the fact, that prior to July, 1913, the loans to municipalities were included with the current loans in Canada). Liquidation in May and June carried the total down to \$339,000,000, at which figure the increase as compared with July, 1916, was almost \$100,000,000. In ex-

planation of the startling reversal here seen it should be said that the growing activity of the munition factories constituted one factor and the sensational rise in produce and other prices constituted another. The high price of wheat in particular forced the banks to greatly increase the dimensions of their credits to the grain trade. This increase of current loans, however, represented only a little more than half of the increase of total assets. On June 30th, 1917, the aggregate of banking resources was \$2,033,000,000, an increase of \$192,000,000 as compared with July a year ago. So the commercial loans at present are 41 per cent of the total assets. Notwithstanding the increase of their liabilities, the immediately available assets of the banks show a decrease of \$62,000,000 for the eleven months, while the holdings of government securities increased \$84,000,000. The rates of available reserve to liability dropped from 32.37 per cent of the total assets. Notwithstanding this is seen the explanation of the tightening of the money markets. The figures given in the foregoing text show conclusively enough that the main cause of such stringency as we have experienced is the increase of the government loans. While the banks continue to hold that large amount of British treasury bills (\$150,000,000) it is perhaps not to be expected that our monetary situation will ease materially. If these bills are paid off shortly, there will be manifest improvement in our financial situation.

In view of the upward tendency of the banks' holdings of war securities, it is interesting to note the position of the individual banking institutions as regards commercial loans and discounts. It is to be observed that in the following table as at June 30th, 1917, the items appearing in the bank returns under the heading, "Other Current Loans and Discounts in Canada," are considered as mercantile

discounts. There would be included among these totals, some loans which could not properly be described as "commercial" transactions; but these would not be large enough to materially affect the conclusions. (Thousands omitted).

Bank.	Total Assets.	Commercial Loans and Discounts.	P.C. of Total.
Montreal . . . . .	\$365,119	\$87,642	24
Nova Scotia . . . . .	119,083	47,514	40
British . . . . .	69,433	26,457	38
Toronto . . . . .	75,039	35,949	48
Molsons . . . . .	62,095	34,520	56
Nationale . . . . .	35,999	21,897	61
Merchants . . . . .	117,206	63,825	54
Provinciale . . . . .	18,710	7,325	39
Union . . . . .	113,195	47,134	42
Commerce . . . . .	299,587	135,333	45
Royal . . . . .	290,496	99,543	34
Dominion . . . . .	97,061	44,601	46
Hamilton . . . . .	57,637	30,877	54
Standard . . . . .	62,815	39,441	63
Hochelaga . . . . .	44,188	25,084	57
Ottawa . . . . .	58,022	25,150	43
Imperial . . . . .	90,191	39,705	44
Home . . . . .	18,851	10,069	53
Northern Crown . . . . .	22,762	9,163	40
Sterling . . . . .	12,808	6,614	52
Weyburn . . . . .	3,314	1,601	48
	\$2,033,622	\$839,355	41

The individual percentages shown in this table appear small in comparison with those shown for any of the ante-bellum years. There is no doubt that the bankers would have preferred to have continued as in the past, devoting the chief part of their assets to the financing of commercial and industrial business; but the special war demands were imperative. It should be remembered, too, that the large loans to the Imperial Munitions Board, aggregating \$150,000,000, in a sense represent commercial loans, as they were undertaken to facilitate the placing of war contracts in the Dominion. With reference to the small percentage of commercial loans reported by the Bank of Montreal, it should be said that this bank has taken a leading part in the loans to government and in maintaining abroad a fund which is of the greatest value as a protection to our financial system.

## Water for the Army

How the soldier is supplied with this necessity

(Christian Science Monitor.)

LONDON, England.

In bare outline the method of providing a safe water supply involves two problems—that of obtaining a supply pure at the source, and that of insuring its continued salubrity during the process of distribution.

In France the question of a pure and adequate water supply has been simplified by the many existing municipal water undertakings, and the presence of deep and uncontaminated springs near the firing line. Much of the water, however, is conveyed to the troops by the medium of water carts and the ubiquitous petrol tin. In Salonika many existing supplies have been available in the form of ancient artesian wells and aqueducts. Gallipoli furnished an altogether inadequate supply for the British troops, and most of the water had to be carried by ship from Port Said. Oil tank steamers were used for this purpose, supplemented by water barges. Very great care had to be taken to secure the proper clearing of the tanks. The reports of the African campaigns tell their own story—simply a record of long difficult marches from well to well and watercourse to watercourse, all intermediate water supplies being carried with the columns with water carts or water bottles. The part the Germans played in harassing the advancing troops by the tampering with the wells has already been indicated.

Much more interesting details have to be dealt with in recounting the information about water supplies in Mesopotamia. The impression which many people have formed in regard to that campaign is of an army strung along the banks of a river, whose least difficulty was that of obtaining a sufficiency of drinking water. Nothing could be more foreign to the facts of the case. In many places the troops were stationed long distances from the river. The available pools were nearly all polluted. Indeed the waters of many of them had to be made unpleasant to the taste by the addition of oils lest soldiers, rendered careless by the heat and drought, should drink

out of them in defiance of orders. Wells which were sunk soon turned brackish, and in any case had to be carefully covered over and guarded lest they be polluted. Only in the Dujailah depression could sweet water wells be found. Even to troops stationed near the Tigris River water as such was not directly available for use. The Tigris is certainly a "fresh" water stream, but its waters are far from fit for human consumption. The amount of foreign matter which they carry in suspension is altogether abnormal. The water necessitates special treatment before it can be used for drinking purposes. Supplies are first pumped from the river into tanks, formed by tarpaulins supported by sandbagging. About 90 per cent. of the impurities settles down as a sediment, the sedimentation being hastened sometimes by the addition of alum. The water is then chlorinated and distributed by pipes or open channels. The open channels are to a great extent being superseded by pipe lines, as even careful policing can hardly guard them against pollution. Troops on the march beyond water stations carry their supplies in Persian hubs or diggins. The jolting during transport dispels all trace of chlorine, and the sweeter water resulting appears to be considered by the individual soldier as a very pleasing compensation for the shorter measure he has to put up with on these occasions.

In such a brief resume of the problem of water supply much has had to be omitted. Only a few of the difficulties which had to be overcome have been indicated. Little has been said of the hardships which British troops had to face ere an adequate water supply was assured. It is worth noting, however, that some of the bravest deeds of the war have been performed by water-carriers in their work of distribution among troops under fire. But no one can read the records from all the front without realizing the immensity of the task which confronted the R. A. M. C. and Royal Engineers. Nor can anyone fail to be impressed with the splendid success which these branches of the British Army have attained.

## Mentioned in Despatches

**JULIUS H. BARNES.**—The United States Government is determined to control and regulate food operators, coal barons and railway magnates. As part of the scheme to do this Herbert C. Hoover has been appointed Food Dictator; Judge Lovett, head of the Coal Commission, and Julius H. Barnes, as President of the \$50,000,000 Wheat Commission. Barnes is a young man to hold such an important position, being but 44 years of age. In pre-war days he was head of the Barnes-Ames Co., of Duluth, the largest exporters of wheat in the United States. He is an aggressive, fearless type of American business man and as head of the Grain Commission can be expected to perform excellent service for his country.

**MAJOR-GENERAL NATHANIEL W. BARNARDISTON,** the man who assisted the Japanese to take Kian-Chow from the Germans has just succeeded to the family estate through the death of his father. Gen. Barnardiston commanded a small British force which rendered very effective aid to the Japanese in Eastern China. In addition to the excellent work which he performed there he also made a name for himself in South Africa, and was well known as a military attache at a number of European capitals. He is married to a New York lady.

**GEN. LUIGI CADORNA,** head of the General Staff of the Italian Army, has been receiving an enthusiastic reception in London, where he went to consult with the British military authorities. Cadorna, who is sixty-five years of age, has been connected with the army since he was a boy of ten and is supposed to know pretty nearly everything there is to be known about warfare. He is universally recognized as an able tactician, and his books on army tactics have even been adopted by the Germans. The old general belongs to the nobility but is a thorough democrat, and recognizes merit as the only reason for promotion. He is the man who was primarily responsible for the Italians' entry into the war.

**GEN. ROQUES,** who recently succeeded Gen. Gallieni as Minister of War, has had a lengthy experience, not only in France, but in Algiers, Madagascar, and other parts of France's colonial possessions. He particularly distinguished himself in Algiers, where he won promotion and the thanks of his country. Then followed an experience in Madagascar where, as an engineer, he constructed many important works. At the outbreak of the present war he was in command of the 4th Army Corps at Limoges, later being promoted to the head of the first Army. He was recently decorated with the Grand Cross of the Legion of Honor, and with the Military Cross.

**"PRIVATE SPUD TAMSON,** of the Glesca Milesby," a book giving an account of the troubles, trials, tribulations and triumphs of the man who enlists for service, is making a great hit. The author, Capt. R. W. Campbell, of the Scots Fusiliers, wrote it while serving in the trenches. As his name indicates he is a Highlander. As a young man, Campbell saw fighting in South Africa, where he was serving with the Black Watch. At the conclusion of the war he took up journalism, and travelled around the world. In the course of his wanderings he covered some 5,000 miles in Canada garbed in kilts. At the outbreak of the war he hurried home and joined the Fusiliers and wrote "Spud Tamson" at night while his fellow officers were sleeping.

**MR. FRANCIS W. HIRST,** editor of the Economist of London, England, has been adding to the excellent reputation he already possesses by his articles on war finance. The British public who look to the great English financial weeklies for information and guidance have been admirably served. Mr. Hirst was born in 1873, and educated at Oxford, where he took a brilliant course. He studied law, but only practised for a short time when the attractions of financial journalism weaned him from the Forum. He became editor of the Economist some eight years ago and under his management it became a recognized authority on financial matters. Mr. Hirst has written many pamphlets and books on economic subjects, some of his best known works being Adam Smith (English Men of Letters), The Stock Exchange, and The Six Panics. Some time ago he left the Economist.

**JULES ANDRE PEUGEOT.**—Recently the French Government conducted an investigation to find out who was the first French soldier killed in the war, and discovered that a Protestant school teacher named Jules Andre Peugeot was the first Frenchman to give up his life for his country. On Saturday, August 1st, 1914, the day mobilization was ordered, the French were ordered to fall back some six miles from the frontier so as to avoid any conflict with the Germans, a conflict which might be used by the Germans as a pretext for war. Corporal Peugeot, with four men, was in a little village near the Swiss German frontier when a German patrol, commanded by Lieut. Mayer, entered the village. The French corporal went forward to protest against this violation of the frontier before war was declared, when Mayer drew his revolver and fired three shots. As Peugeot fell mortally wounded he fired his rifle and killed the German.

**RUSSEL D. BELL,** of Greenshields & Co., stock brokers, has left for the United States where he has received a commission in the new army being trained to fight the Huns. Bell has been in Montreal for the past half dozen years, coming from New York where he was on the staff of the New York Sun. While an active member of the firm of Greenshields & Co., and generally regarded as one of the bright-

est and best financial men on the "Street," it was as a writer on financial subjects that Mr. Bell was best known to the Canadian public. His Monthly Reviews, as well as his frequent contributions to financial publications, kept his name before the public. Mr. Bell is the fourth member of the firm of Greenshields & Co. to go overseas, the other three serving in the Canadian forces. As Mr. Bell is an American by birth, it is only natural that he should turn to Uncle Sam when a call came for recruits.

**GENERAL PETAIN.**—The new French offensive at Verdun calls first attention to the heroic struggle waged there by France in the last days of 1916. That struggle was responsible for the "finding" of General Petain, now Commander in Chief of the French Army. At the outbreak of hostilities, Petain was but a Colonel in an obscure post; as a matter of fact, he was about to retire from active service, as he was then 58 years of age. The Hun invasion, however, called for every man capable of bearing a weapon and Petain stayed with the Army and did his bit. This was done so well that he soon won promotion, being first given a Brigade, then a Division. At Charlevoix, Dinant, and at the Marne he revealed a genius for command which was further shown in his remarkable defence of Verdun. General Petain is a firm believer in the gospel of keeping fit and his daily antics with a skipping rope, while somewhat of a joke in the Army, indicates something of the simplicity and thoroughness of the man who directs the destinies of the French forces.

## The New Democracy in Britain

### Industrial problems being solved

LONDON, August 6.

(Special Correspondence of The Journal of Commerce).

It is very difficult and apparently almost impossible for the people of this country to realize what is happening in "democratic" circles. For this reason the position may appear a great deal more confused than it really is. It will change from day to day, but the broad outlines may be clearly stated.

The difference between a democratic country and a democratic government is the first difficulty the public meets. Even in this country partizan newspapers occasionally accuse the Government of failing to realize its democratic purpose.

The second difficulty arises through the want of understanding the difference between Socialism and Democracy, and this difficulty is increased by the frequent use on the continent of the description "Social Democrat." To many people Socialism and Democracy spell one and the same thing.

In Great Britain the distinction between the two is being made clearer by the attempt to organize the Workers' and Soldiers' Delegates Council. It is frankly a Socialist movement, its object being first of all to socialize all departments of our national life, and secondly to set up in this country something akin to the Russian Revolution. The utter impossibility of this attainment is well understood by the people of this nation, and it does not seem that the sinister attempt to undermine the democratic authority of the Government will succeed.

In order, however, to understand the real difficulties of the position with which the statesmen of the Allies have to deal it is necessary to look at matters from other points of view than our own. Is there any good reason, for example, for the prominence in this connection of Mr. Ramsay Macdonald, an avowed socialist, a man of intellect, and a founder of the British Labor Party? I think there is. It is conceivable that among the industrial population of Russia there is as yet no distinction drawn between the Labor Party and the Socialists of Great Britain. Responsible Russians are doubtless well-informed. But when great masses of people are concerned in decisions which governments have to make, ignorance must be recognized as well as knowledge. Suppose then that among the people of Russia Mr. Ramsay Macdonald is regarded as the one representative Socialist, and that further, Socialism to the Russian people is synonymous with British Democracy. Is this be the state of Russian general knowledge it can be understood that the British Government cannot resist Mr. Macdonald's claim to attend an international socialist congress which the Russian people look to with great hopefulness. I do not say this is the actual state of affairs, but it is a reasonable interpretation of present difficulties which are causing so much confusion in the public mind. One thing seems plain, that if Mr. Ramsay Macdonald attends

any conference with continental Socialists he will be accompanied by a sound representative of British Trade Unionism.

During the last few weeks the temper of the British people has undergone a notable change. The whole nation has been in the war for three whole years. It would be strange if no signs of irritability and weariness were found among us at this stage. But it would be folly to attach too much importance to the signs of what is called "industrial unrest." We had it before the war. We shall have it after the war. It is no new thing during the war, though it is more dangerous at such a time than at any other. The spirit of unrest finds its causes ready made in these days. But though there is underground agitation, now and then making itself seen in a form that alarms the timid, nothing has yet happened to destroy faith in the good sense and deep patriotism of the nation. We go on with our work steadily and without cessation, and the results of our labors are seen in France and Flanders. It would be a great mistake to imagine that the excitement over the Stockholm Conference and the rumors of industrial troubles represent the real state of mind of the British nation.

Gradually we are preparing the way for the industrial problems that will come up for settlement when the war ends. The establishment of the Ministry of Reconstruction gives form to a vast amount of hard-thinking that has been going on for three years. A minor sign of the national attitude was given recently when the members of the railwaymen's trade union had their war bonus transferred to wages. This act increases the rate of wages in some branches of the union by as much as 15s. a week. And as the pay for Sunday work and overtime is based on the new rate the total increase of earnings is considerably more than 15s. I have no doubt that before the war ends such a transference of bonuses to rates will become general. It is an indication that after the war wages in this country will be much higher than before, and that the higher standard will be permanent. We have seen the same thing happen in agricultural wages, which are the foundation of our whole industrial system. This is a fact that must be taken into account in commercial circles throughout the world. The purchasing power of the British people will be greater; the producing cost of the British factory will be higher. To many, even among those who were free traders before the war, this will inevitably lead to some measure of protection. But up till now we have had no pronouncement from any responsible statesman on this point. If there is one thing, however, upon which the British industrial workers are united it is that the war level of wages must not be reduced.

## Public Opinion

### PRIZES FOR TEXTBOOKS.

The government of Peru has offered a prize of \$500 for the best textbook teaching temperance for use in the public schools of the country. Intemperance has become a serious problem in the republic, and it is hoped that the introduction of the teaching of temperance in the schools will have salutary effects. The texts submitted, which must be in the Spanish language, will be passed on by a jury composed of the director of public instruction, the director of the temperance society, and one teacher from the Lima public schools.

### THE FRENCH SOLDIER.

(Christian Science Monitor).

One of the most striking characteristics of the French soldier, remarks a recent writer, is the way he has of getting to work again at his trade as soon as he gets home, even if it is only for a few days' leave. Thus, the farmer will pick up his daily work at his little farm almost at the hour he arrives, and the cobbler will get him to his last, eager to see how many of his old customers he may serve during his stay at home. A famous aviator, on four days' leave, donned his white apron, just as soon as ever he could—he was a restaurant keeper—and was glad to spend his short holiday serving the little coterie of guests whom his wife had kept together.

### A TRIBUTE FROM ACROSS THE LINE.

(Buffalo Commercial).

Again it is our friends and allies from across the northern border who have smashed the German line. Lens again is the centre of the fighting on the western front, and the Canadians have taken the dominating Hill 70 by storm and are within the beleaguered French city at last, driving out the invader. We cannot but take a personal pride in the valor and achievements of our brothers from Canada. Many of our own sons fight shoulder to shoulder with them. All typify the spirit of America. Where honor calls, they are the first to respond. The post of danger and the test of skill are theirs by choice.

### CLEVELAND'S BACKBONE.

(World's Work).

In the summer of 1884 James J. Hill had been sizing up the political situation in his part of the country. Mr. Cleveland's name was in the air. Nobody knew very much about him. Mr. Hill went to New York and talked with Mr. Tilden, whom he knew well. They had great esteem for each other. "What about this man Cleveland?" was the question Mr. Hill had to ask.

"He is all right," said Mr. Tilden. "He is absolutely honest, is not afraid of anything."

"But has he backbone?"

"Backbone! He has so much that it makes his stomach stick out in front."

### PLACING TITLES ON A BUSINESS BASIS.

(Toronto Saturday Night).

A lively line of criticism has been launched in the House of Lords over the alleged scandals in connection with the distribution of birthday honors. It was time. In democratic Canada, at least, this birthday honor business has about played out, and we all pretty well agree with the Earl of Selborne, who moved that hereafter the public be given particulars as to why honors are bestowed and also the cash price, if any. In England it has become a regular habit to "honor" those who contribute largely to party funds, but at the same time Baron Beresford complains that the money changing hands too often goes into the pockets of those offering the "honors" for sale. If we are to have honors, why not place them on an established cash basis, so much for a plain knighthood, so much for a knighthood with frills, so much for a baronet, and so on up the list. There would then be no further deception. All would be out in the open and plain sailing. Under this system, the millionaire who had accumulated his pile would simply size up the honor he desired and ask the latest quotation. He might get a discount for cash in advance or arrange to pay the net price when the goods were delivered. As a commercial nation, with huge bills to meet, the British people should see the possibilities of opening up a first-class trade in titles, particularly for export.

### CANADA'S DUTY.

(Nelson Daily News).

Canada has 80,000 soldiers on the firing line. This is one per cent of the population. If the other entente nations were represented in the same proportion Great Britain would have but 450,000 men on the firing line; France, 400,000; Italy, 270,000. Yet some wail that "Canada has done enough" and should cease to send men to the front.

### PREDICTIONS.

(Southern Lumberman).

Whether or not Mr. Gerard is a prophet, will be known before long. Here are some of the things which he says won't happen:

"The German nation is not one which makes revolutions. There will be scattered riots in the country but no simultaneous rising of the whole people. The officers of the army are all of one class—and of a class devoted to the ideals of autocracy."

"Nor should anybody believe that Germany will break under starvation. There is far greater danger of the starvation of our allies than of the starvation of Germany. Every available inch of ground in Germany is cultivated by the aid of the old men, the boys and the women and the 2,000,000 prisoners of war."

Mr. Gerard declares that Americans do not grasp either the magnitude or the importance of the war.

### THE STRAITS OF DOVER.

(Christian Science Monitor).

The Strait of Dover, the narrow sea which separates England from France, is, perhaps, one of the best-known pieces of water in the world. For Englishmen, all through the centuries, it has ever appeared to epitomize the island character of their country, and has been ever regarded by them as one of their great bulwarks of defence. The silver streak which runs between the Pas-de-Calais and the coast of Kent has, indeed, always been the obstacle of obstacles to the invader. It was to cross this barrier that Julius Caesar prepared his long-beaked ships, some fifty years or so before the Christian era; that William the Norman got together his great fleet of flat-bottomed boats eleven hundred years afterwards; that Philip of Spain prepared his Armada in the Sixteenth Century; and that Napoleon, some two hundred years later still, assembled his fleet of specially prepared ships at Boulogne. "Let me be master of the Channel for six hours, and we are masters of the world," he declared to his staff, as they contemplated the great army encamped on the heights above the town; but, as all the world knows, of course, the six hours never came.

### CLIQUE RULES PRUSSIA.

(American Review of Reviews).

The executive government of Prussia is wholly in the hands of the King, whose council of ministers is appointed by royal decree. The Prussian law-making body has two chambers, the upper one, of which is made up of royal princes, territorial nobility, and a number of magnates named by the King, with a few burgomasters of large cities. The lower house, which has 413 members, is elected by the great body of Prussian citizens above the age of twenty-five, and the now famous three-class system. Those who pay the highest taxes to the total extent of one-third of all the taxes paid, constitute the first class and exercise one-third of the electoral power. Those whose taxes in the aggregate constitute a second amount equal to a third of the whole, form the voters of the second class, and they in turn have a third of the voting power. All the rest of the citizens who pay taxes constitute the third class. How this works out in practical effect we have more than once explained in this Review when alluding to German politics. The first and second classes, made up of the large taxpayers and constituting perhaps 15 per cent of the entire number of voters, have twice as much political power as the remaining 5 per cent of the voters. Thus, as we have previously stated, a voter of the first class in Berlin has fifty times as much political power as a voter of the third class. In the Essen district, where the Krupp works are located, it is within bounds to say that one voter of the first class has as much voting power as fifty thousand voters of the third class.

### UNCLE SAM TESTS WATCHES.

(Buffalo Commercial).

If you buy an expensive timepiece Uncle Sam will see that you are not imposed on, in the event you consider a fee of \$5 not too much to expend for his services. On Tuesday, April 10th, the watch testing period began at the bureau of standards in Washington. There are four of these tests conducted every year, the one to follow beginning on the second Tuesday in August. Watches may be submitted by manufacturer, retailer or individual owner. The test lasts 54 days.

### THE FRENCH POILU.

The French poilu, sketches a correspondent, is compounded of equal parts of weariness, good humor, and dirt. His coat is always buttoned wrong and his fingernails are always torn around their grimy edges. He wears a moustache and the Croix de Guerre; there is no exception to this rule. He lives on bad chocolate, worse bread, and still worse wine. He has two wants: A letter from home and a Pickelhaube. He is always torn between two conflicting sentiments: A bas les Boches, and A bas la guerre. He is war's wonder as well as war's lesson.

### PATRIOTISM AND SUGAR PROFITS.

(New York World).

What possible excuse is there for the exorbitant prices of sugar? There is no present shortage of the refined product of raw sugar. According to a statement by Herbert C. Hoover, the world's supply of sugar for the current year will be in excess of that of last year and only slightly below the average production of 18,712,997 tons for a period of five years prior to the war. In Cuba, which formerly supplied the United States with 43.1 per cent of its sugar and now furnishes 53.6 per cent, the yield and surplus are normal. Both the cane and beet sugar crops of the United States with 43.1 per cent of its sugar and ditions in Hawaii and Porto Rico, where in each instance production has increased.

Why, then, must consumers pay excessive prices both for sugar and for prepared fruits and canned goods in which it is an ingredient?

The swollen profits of the sugar companies give the answer. The prices are war prices only in the sense that they are based on the manufacturer's and grower's opportunity and the consumer's necessity created by the war. They are prices fixed by greed and are wholly without the justification of increased cost of production, as is clearly shown by the \$50,000,000 gain made by raw sugar companies in one year.

In fine, the reason sugar is dear is that sugar companies are paying extra dividends. The thriving condition of the industry is its own sufficient commentary on the patriotism of its owners in taking advantage of a national crisis to put up the price of a national necessity.

### OUR HOMEMADE CAMOUFLAGE.

(Minneapolis Tribute).

When the armies abroad hide a gun under green boughs, or paint a ship to look like playing waters, or cover a road with painted canvas to make it resemble an unbroken forest, or do anything of that kind to deceive the enemy, they call it camouflage.

We have our camouflage in this country, too, and it is being used long in advance of the firing of American guns.

We have the man who paints his disloyalty with words tending to make it appeal like loyalty.

We have the drafted man—mighty few of him, thanks be—who eats soap or goes hungry to make his wellness look like illness.

We have the profiteer who hides his gluttony for gain behind a sonorous warning that government food control will undermine democracy.

We have the politician who pretends upon being alert to the saving of his country when in truth his first thought is to save his job or to do something for his party at the expense of the opposing party.

We have the man who pretends to believe that he who serves his country on farm or in factory serves it as bravely and well as he who carries a gun to the trenches.

We have the party which prates loudly of liberty and the rights of the people while in the act of adopting resolutions that gladden the heart of the kaiseristas.

We have our men in high places wearing the livery of statesmanship, but clad beneath with the garb of mediocrity.

All in all, camouflage has quite a vogue over on this side of the ocean, but it is for the most part a thin veneer that peels off under the light of pitiless publicity.

# AMONG THE COMPANIES

## BASIS OF "OLD GLORY."

The original of the United States flag—soon now, it seems, to fly alongside those of the Allies—may be seen in the family arms on the tomb of Laurence Washington, great-great-grandfather of the first President, in Solgrave Church, Huntingdonshire. The Washington arms there represented comprise a white shield having two horizontal red bars and above them a row of three red stars, and it may well be that popular tradition is correct in declaring that they suggested the stars and stripes of the Union flag. London Daily News.

## McKINLEY-DARRAGH MINE.

The McKinley-Darragh have cut a new high grade vein averaging four inches in width on the 350-foot level. The extension of the famous Cobalt Lake fault vein has also been discovered on the 400-foot level, which gives every indication of developing into a large tonnage of good milling ore. The alterations to the mill are being pushed ahead as rapidly as possible, and within a short time the mill will be treating 250 tons per day.

## UNION BAG & PAPER CO.

Union Bag and Paper Corporation's statement for the second quarter of the year shows a small decrease in earnings as compared with the first quarter, net being \$844,447 against \$863,722.

The change is trivial and the statement again reflects a high degree of prosperity in the paper industry. In each of the two quarters the company has earned more than the full year's dividend of 6 per cent, paid on the capital stock. Surplus available for dividends in the first six months of the year was \$1,230,658, equal to earnings at the rate of 26.2 per cent, per annum, and this, too, after all provision for taxes, depreciation, etc.

The corporation owns the St. Maurice Paper Company at Three Rivers and has a fairly large list of shareholders in Canada.

## PATON MANUFACTURING CO.

The Paton Manufacturing Co., one of the largest woollen manufacturers of Canada, which has had an interesting dividend career since the war started, has made its initial dividend declaration for the current year. The 4 per cent, regular for the half year is maintained, but the bonus is reduced from 2½ per cent, to 2 per cent.

The return indicated for the year is therefore 12 per cent, against 13 per cent, in 1916-17, 10½ in 1915-16, and 9 per cent, in 1914-15. But the bonus is an elastic form of payment, and much will depend on the business of the second half of the year.

The company was paying 6 per cent, per annum prior to the war, but had been through a depressed period in which dividends were suspended altogether for a time. The bonus payments latterly have been with a view to making up for income lost to shareholders when business was poor.

## MARCONI WIRELESS CO.

The net income of the Marconi Wireless Telegraph Company of America for the year 1916 was \$259,888 as compared with \$177,316 for the previous year, and the total surplus now carried forward amounts to \$801,556. The very large orders now being executed on behalf of the Government of the United States of America have necessitated the construction of considerable additional factory accommodation.

The American trans-Atlantic stations which were expected to constitute the principal source of revenue have remained idle in consequence of this company's stations continuing to be employed by the Government. A very satisfactory telegraph service was being conducted from the Pacific coast across the Pacific ocean to the Hawaiian Islands and Japan up to the time the United States entered the war, when the Government took possession of the station.

## NIPISSING MINES CO.

Production of silver in July by Nipissing Mines Co. was 344,925 ounces, valued at \$272,490, and shipments were 314,283 ounces, of an estimated net value of \$295,495. Assets in cash and bullion, which amounted to \$2,150,555 December 31, 1916, has since increased approximately 33 per cent., and an extra dividend, to be declared at the stockholders' meeting in September, is considered not improbable.

Stockholders of Nipissing Mines Co. voted, Aug. 21, to transfer the charter of the company from Maine to Ontario. Nipissing Mines Co., Ltd., the operating company, the capital stock of which is owned by the Nipissing Mines Co., is already incorporated in Canada, and the transfer of the parent company, while incidentally effecting a material saving in taxation, will afford both corporations the same privileges and restrictions.

Price of 91½c. an ounce received by Nipissing for its last shipments of bullion to San Francisco, is the highest price yet recorded for silver on its recent advance.

## CONIAGAS IN PORCUPINE.

(Canadian Mining Journal.)

The Coniagas Mines, Limited, of St. Catharines, are now proceeding to development of deposits located on the Ankerite property, porcupine. The Coniagas company has held this property under option since February, 1916, and during this period has conducted an extensive and successful exploration of one of the three claims comprising the group. Two strong, parallel veins were located, one for a length of over 1,400 ft., and the other for about 900 ft. These were explored by cross-cutting, sinking, drifting and diamond drilling at numerous points along their strike, and it is said that satisfactory gold values were found at every point. A steam power plant for development purposes is now being installed and while development of located deposits is under way the company will proceed with exploration of other areas of the property.

## U. S. FOODSTUFFS DECREASE.

Professors Seager and Craddock, in a series of papers published at Columbia University, point out that per capita production of foodstuffs in the United States has been decreasing. Thirty years ago 8.5 bushels of wheat were produced per capita, while in period from 1906 to 1914 production was 7.7 bushels. These authorities point out that increase in meat production in 1916 was due to the fact that owners killed cattle to avoid feeding them, and that this involved a danger to breeding stock. Different varieties of foodstuffs held in cold storage were decreased between 29.3 per cent and 86.3 per cent during the past year.

## DULUTH-SUPERIOR CO.

Gross passenger earnings of the Duluth-Superior Traction Company for the second week of August were \$30,783, as compared with \$32,371 for the preceding week. In comparison with the same week of last year there is a balance of \$178 in favor of the current week, which is an increase of 5 per cent. Gross earnings for the year to date are 15.6 per cent, in excess of the corresponding period of 1916.

## SUPERVISING OUR SHIPBUILDING.

In the British House of Commons a few days ago, Mr. Shirley Benn asked what steps we had taken to supervise the construction of steamers built in Canada for the Government; what expert advice had been obtained to ensure that the steamers being built there should not only be serviceable for the trade of the moment, but suitable for specific trades after the war.

Sir Leo Chiozza Money replied that all steel steamers being built in Canada were being constructed to the classifications of Lloyd's or the British Corporation, under the supervision of surveyors of these societies. The vessels had been allocated to shipowners of good standing for management after completion, and these firms have sent out experienced superintendents, who watch the progress of the work. He thought there was no risk of any of the ships proving unsuitable for general service either during or after the war.

## AMERICAN LOCOMOTIVE COMPANY.

### Montreal Works Ceasing to Make Munitions.

The combined profit and loss statement of the American Locomotive Co. and the Montreal Locomotive Works, Ltd., shows earnings at the rate of 21.8 per cent, on the \$25,000,000 common stock of American Locomotive for the year ending June 30th last, against 36.1 per cent, in 1915-16.

Gross earnings were nearly \$13,000,000 higher than in the preceding year, but operating expenses, including depreciation, rose about \$25,000,000, depreciation evidently including heavy writing off on munition plant account. Allowances for profits taxes in both American and Canadian business, too, took more than \$1,400,000 in excess of allowances in 1915-16.

The net balance available for distribution on the common stock was \$5,451,679, against \$9,019,429 the year before. But in the year ending June, 1915, the company had a deficit of \$3,241,980, after preferred dividend, while the surplus the year before that was only \$326,127.

The directors in the course of their year's review confirm the recent report that munition work is to cease at the company's plant in Montreal. As to this phase of the company's business the report says:

"The munitions work at Richmond and Montreal will be completed in August, 1917. The work of restoring these plants to locomotive production uses has already been started, and when completed the entire capacity of all of the plants of the company will be devoted exclusively to the manufacture of locomotives, which are urgently needed abroad as a war necessity, and also by the railroads of this country."

Regarding general conditions in the equipment, business and in munition business in the past year the directors have this to say:

"During the year prices of materials of all kinds increased to an unprecedented degree; a great scarcity of both skilled and unskilled labor existed, notwithstanding that large increases in wages were made, and the working time of the shops shortened. These abnormal operating conditions which could not be fully anticipated, affected the profits on both locomotives and munitions.

"Both in Canada and the United States, the selling prices on munitions were reduced to lower levels than prevailed in the preceding year, and the new contracts for shells admitted, even under normal conditions, of a much smaller margin of profit than previous contracts allowed. The new contracts were for larger shells than those previously made, and necessitated large additions of equipment and extensive alterations to plants, for which the sum of \$3,760,561 has been included in the manufacturing cost and deducted from earnings."

The amount of unfilled locomotive orders on the books on June 30, 1917, was \$7,620,449, as compared with \$19,376,532 on June 30, 1916. The amount of munitions orders which were uncompleted on June 30, 1917, was \$3,566,528.

## THE PORTO RICO RAILWAYS COMPANY, LIMITED.

Comparative statement of earnings for July, 1917:  
July, 1916. July, 1917. Increase P.C.

For July:				
Gross	\$70,524	\$77,905	\$7,380	10.46
Net	36,870	37,845	974	2.65
For seven months:				
Gross	\$502,496	\$522,885	\$20,389	4.06
Net	260,537	234,901	*25,395	*9.75

\*Decrease.

## U. S. IRON ORE PRODUCTION.

Iron ore mined in the United States in 1916 reached a total of 75,167,672 gross tons, the greatest annual output ever made. Shipments from the mines in 1916 were 77,870,553 gross tons, valued at \$181,902,277. The quantity mined in 1916 was more than 19,600,000 tons greater than that mined in 1915. The increases in quantity and in value of iron ore shipped in 1916 amounted to 40 and 80 per cent, respectively. The average value per ton at the mines in 1916 was \$2.34 as against \$1.83 in 1915.

ESTABLISHED 1832

**Paid-Up Capital**  
\$6,500,000



**Reserve Fund**  
\$12,000,000

**TOTAL ASSETS OVER \$110,000,000**

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

# THE BANK OF NOVA SCOTIA

### GERMANY'S INTEREST CHARGES.

How hopelessly swamped in debt Germany will be when the war is over is calculated by the New York Evening Post in figures showing that if the war lasts through 1917 the German debt will have increased \$23,500,000,000 during the war. Of this the 5 per cent. interest rate and a sinking fund of 1 per cent. to 2 per cent. would leave an annual charge of about \$1,500,000,000 a year after peace. This is in mad contrast with the total annual revenue of slightly over \$920,000,000 before the war, and spells absolute bankruptcy.

### DOLLAR SILVER IN SIGHT.

Dollar silver is in sight, according to officials of the mining companies contributing in substantial amounts to the world's supply of this metal.

The president of an active silver producer says, in the Boston News Bureau: "The world is clamoring for silver, and there is not enough to go around. This shortage—for it is nothing else—means higher prices.

"Practically every government is coining silver as never before; the Far East, always a big consumer, is looking for large quantities, and the leading nations of the world, all at war, are in need of silver for coins to be used in paying their troops.

Mexico, an important producer, is doing very little in comparison with its former yield. Cobalt is falling behind for the demand upon Canada's man power to enter the army long ago made itself felt in a scarcity of labor north of our border.

"And to cap the climax there must be considered the strike among the western copper mines, practically all of which are producers of silver as a by-product.

"Never in my recollection has the situation in silver been so acute. For every ounce above ground there is a strong demand. Shipments are again being made to London, notwithstanding the high cost of transportation and the additional war risk."

### A REMARKABLE WILL.

The will of Marshall McMurrin, of Evansville, Ind., once a tramp, leaving \$27,000 to Mrs. Mattie Hannum, of 11 Swartzel avenue, Vincennes, Ind., because, when she was a servant in a farm house thirty years ago she gave him a cup of coffee, has been declared valid by the Indiana Supreme Court. Notification of the court's decision has been received by Arthur P. West, assistant treasurer of the National Surety Company. The estate, for which the late Mr. McMurrin's half-brothers and half-sisters have been suing and which consists of \$21,000 in United States Government bonds and about \$6,000 in cash, has been turned over to Mrs. Hannum.

Mr. McMurrin, after a youth of wandering, died on May 10, 1913, leaving the following will, which had been made 25 years before:

"I do on this 7th day of September, 1888, will to Mattie Draim, that poor servant girl who gave me a good bite to eat and a hot cup of coffee when I was weak and feverish from hunger and near ready to drop and the auld man she worked for was cursing her for giving it to me and ordering me out of the yard, and I do will that all I have at my death, all the money or property that I have shall be hers.

MARSHALL McMURRAN.

Witness: Mrs. Emma Grant; Cora Norton.

Mattie Draim is now Mrs. Hannum, having married Harry Hannum

### THE GUARDS CAME THROUGH.

(By Arthur Conan Doyle.)

Men of the Twenty-First,  
Up by the chalk pit wood,  
Weak with our wounds and our thirst,  
Wanting our sleep and our food,  
After a day and a night—  
God, shall I ever forget!  
Beaten and broken in the fight,  
But sticking it yet.  
Trying to hold the line,  
Fainting and spent and done,  
Always the thud and the whine,  
Always the yell of the Hun!  
Northumberland, Lancaster, York,  
Durham and Somerset,  
Fighting alone, worn to the bone,  
But sticking it, sticking it yet.  
Never a message of hope!  
Never a word of cheer!  
Fronting Hill 70's shell-swept slope,  
With the dull plain in our rear,  
Always the whine of the shell,  
Always the roar of its burst,  
Always the tortures of hell,  
As waiting and wincing we cursed  
Our luck and the guns and the Boche,  
When our corporal shouted "Stand to!"  
And I heard some one cry, "Clear the front for the  
Guards!"  
And the Guards came through.  
Our throats they were parched and hot,  
But, Lord, if you heard the cheers!  
Irish and Welsh and Scotch,  
Coldstream and Grenadiers,  
Two brigades, if you please,  
Dressing as straight as a hem,  
We were down on our knees  
Praying for us and for them!  
Praying with tear-wet cheek,  
Praying with outstretched hand,  
Lord, I could speak for a week,  
But how could you understand!  
How should your cheeks be wet,  
Such feelings don't come to you,  
But when can me or my mates forget  
When the Guards came through?  
"Five yards left, extend!"  
It passed from rank to rank,  
Line after line, with never a bend,  
And a touch of the London swank.  
A trifle of swank and dash,  
Cool as a home parade,  
Twinkle and glitter and flash,  
Flinching never a shade,  
With the shrapnel right in their face  
Doing their Hyde Park stunt,  
Keeping their swing at an easy pace,  
Arms at the trail, eyes front!  
Man, it was great to see!  
Man, it was fine to do!  
It's a cot and a hospital ward for me,  
And I'll tell 'em in Blighty, wherever I be,  
How the Guards came through.

—London "Times."

### RECLAIMING GOLD.

Perhaps nowhere else is efficiency carried to as fine a point as in gold working factories. Gold is weighed and charged to the worker. Every piece of finished work is weighed and surplus of gold and filings are checked against the original quantity. But gold settles in human pores, and workers are required to wash with special soap in a bowl connected with filters and several decanting tanks. The residue is sent to a refinery where gold particles are recovered. One watch case factory in dismantling an old plant, tore up floor and wall boards, and after burning them, recovered enough precious metal to pay for dismantling and reconstruction and a profit of several thousand dollars.—Wall Street Journal.

### BRITAIN'S FINANCING OF INDUSTRIES.

In the British House of Commons recently Sir Henry Dalziel asked the Prime Minister whether he was now able to state the amount of public money that had been advanced to firms and companies since the commencement of the war.

Bonar Law stated apart from the sums advanced under schemes for the restoration of credit at the commencement of the war, the total advances out of votes of Parliament to private concerns (including firms and companies) by way of loan repayable in cash since the outbreak of war amount to approximately £46,000,000, of which about £27,500,000, has been repaid to date.

In reply to supplementary questions, Bonar Law said that he was not aware of any losses to the State in connection with the transactions referred to. In some cases there had been special public advantage in making the advances, for they had facilitated the work of securing supplies through the firms concerned.

### SILVER PRODUCTION INCREASING.

Withdrawal of gold from circulation by some of the European belligerents and its replacement with silver coinage have given a tremendous stimulus to silver production, especially in the United States, which has risen from second rank among silver-producing nations in the years prior to the war to first rank in 1916, with an output of 72,333,000 ounces, 42 per cent. of the world's total. In the same year Mexico produced 35,000,000 ounces, and Canada 25,500,000 ounces. The remainder of the world production of 172,384,000 ounces was scattered among a number of other countries. The output of the silver mines of the United States increased 14,000,000 ounces in the twenty-year period from 1896 to 1916, against an increase by all other mines of only 1,000,000 ounces, according to a compilation by the National City Bank. Mexican, Canadian, and South American producers send their silver ores to us because of our superior refining and smelting facilities, and we distribute our surplus mostly to Europe and the Orient. In the fiscal year 1916 our silver exports to England amounted to \$41,032,000; to China and Hongkong, \$8,240,000, and to South America, \$1,385,000.—The New York Annalist.

### JULY BANK STATEMENT.

The outstanding feature of the July bank statement is the large increase in the savings deposits, this gain totalling nearly \$29,000,000. Demand deposits gained \$1,100,000, and deposits abroad \$6,000,000.

On the other hand current loans are down nearly \$10,000,000, while call loans have decreased over \$11,000,000.

Leading figures of the July return, with the changes from June, follow:—

	July, 1917.	Change in month.
Circulation . . . . .	\$154,692,268	—\$1,935,433
Deposits dem. . . . .	450,849,356	+ 1,159,686
Do., notice . . . . .	929,442,340	+ 28,931,738
Do., abroad . . . . .	183,846,718	+ 6,052,531
Curr. loans . . . . .	829,560,000	— 9,795,132
Do., abroad . . . . .	90,253,882	— 2,896,201
Call loans . . . . .	71,376,788	— 4,708,432
Do., abroad . . . . .	151,875,676	— 7,433,457
Specie, etc. . . . .	72,242,843	— 4,809,684
Dom. notes . . . . .	122,743,664	+ 126,504
Cent. gold res. . . . .	50,220,000	+ 6,770,000
Tot. liab. . . . .	1,827,273,169	+ 36,838,812
Total assets . . . . .	2,072,686,194	+ 39,063,244

**THE DOMINION BANK**

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

C. A. BOGERT, General Manager

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

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

(ESTABLISHED IN 1836)  
Incorporated by Royal Charter in 1840.  
— THE —

**BANK OF BRITISH NORTH AMERICA**

Paid-up Capital, \$4,866,666.  
Reserve Fund, \$3,017,333.

Statement to the Dominion Government (Condensed), 31st July, 1917.

Liabilities to the Public.

Notes in Circulation .....	\$ 5,393,091
Deposits .....	53,359,533
Other Liabilities .....	1,109,398
	\$59,862,022

Assets.

Cash on Hand and in Banks .....	\$10,679,101
Deposit with Government of a Note Circulation .....	245,822
Government, Municipal and Other Securities .....	10,766,692
Call and Short Loans .....	6,723,977
Current Loans and Discounts and Other Assets .....	38,009,594
Bank Premises .....	2,348,293
	\$68,773,479

ESTABLISHED 1872

**BANK OF HAMILTON**

Head Office: HAMILTON

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

Business Founded 1795

**AMERICAN BANK NOTE COMPANY**

(Incorporated by Act of the Parliament of Canada)  
ENGRAVERS AND PRINTERS

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

Head Office and Works: OTTAWA

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

**WEEKLY BANK CLEARINGS.**

Canadian Bank clearings for the week ended Aug. 23rd from 10 cities in the eastern part of the Dominion and 12 in the western part aggregated \$217,982,743, an increase of \$30,399,210 over those for the corresponding period of last year. In the eastern part of the Dominion only one small decrease is shown, while Montreal and Toronto show increases of \$16,593,308 and \$12,528,854 respectively. In the Western part, Winnipeg shows a decrease of \$9,900,463, the other cities, with the exception of Brandon (decrease \$53,884), showing increases.

EASTERN CITIES.	
	1917. Increase.
Montreal .. . . .	\$81,605,865 \$16,593,308
Toronto .. . . .	55,081,600 12,528,854
Ottawa .. . . .	5,261,137 1,029,109
Hamilton .. . . .	4,776,879 990,238
Quebec .. . . .	4,265,972 783,484
Halifax .. . . .	2,978,335 1,009,526
St. John .. . . .	1,851,867 *2,150
Brantford .. . . .	708,890 157,245
Peterboro .. . . .	625,115 106,508
Sherbrooke .. . . .	597,950 70,006
Total .. . . .	\$157,753,610 \$33,266,128

WESTERN CITIES.	
	1917. Increase.
Winnipeg .. . . .	\$32,786,614 *\$9,900,463
Vancouver .. . . .	9,284,051 2,734,051
Calgary .. . . .	6,420,286 2,553,533
Edmonton .. . . .	2,294,963 420,229
Regina .. . . .	2,670,535 274,659
Victoria .. . . .	1,629,920 105,264
Saskatoon .. . . .	1,503,994 279,937
Moose Jaw .. . . .	1,057,409 158,526
Brandon .. . . .	507,960 *53,884
Fort William .. . . .	646,338 110,905
Lethbridge .. . . .	983,117 342,800
Medicine Hat .. . . .	443,946 107,515
Total .. . . .	\$60,229,133 *\$2,866,918

\*--Decrease.

**AETNA ENTERS CANADA.**

The Aetna Life Insurance Company has decided to enter the Dominion of Canada for all lines of casualty, surety and fire business. This will be done by formally qualifying its affiliated companies. The Aetna Casualty and Surety Company and the Automobile Insurance Company of Hartford.

The Aetna Life has been entered in the Dominion for a number of years, transacting a life insurance business there but as this fact precludes its writing casualty business in Canada, it has been decided to establish the subsidiary companies there to operate in the field of insurance, other than life. It is proposed to handle the business through a branch office in Toronto.

**TERRIBLE FOREST FIRES FROM TRIFLING CAUSES.**

A man dropped a lighted match on the shore of Kalamalka Lake, British Columbia, on July 8th last. Within an hour a hot fire was racing through the underbrush. For three weeks after that there raged a series of forest fires, defying the organized efforts of hundreds of men.

At one time, 26 fire fighters were ringed about with flames, while their relatives, shut off from them and helpless to aid, awaited news in terrorized suspense. Only after severe suffering from exhaustion, thirst and hunger did the band of workers force their way through to safety.

That experience is a big price to pay for one person's foolish act in handling matches in a forest. The court fined the careless man \$50, but that does not help the province to bear the enormous loss.

One lighted match dropped on one inch of inflammable ground expanded into fifteen miles of ruin.

In the Spruce Valley fire of British Columbia of the same month, eleven men lost their lives, most of them tortured to death as they struggled over the mountain tops. The fuse to that disaster was supplied by a small piece of lighted tobacco carelessly thrown on the grassy floor of a tent.

Ninety out of a hundred tragic holocausts could be avoided if every Canadian camper and fisherman kept vigilant watch on his own pair of hands, and every settler kept a tight rein on his clearing fires. It does not cost five cents or five minutes to put out a camp fire or a cigarette or a match, but it costs the people of Canada four or five million dollars a year to partially overtake the timber damage caused by runaway flames.

**BANKING AND BUSINESS IN THE U. S.**

(Continued from page 4).

affect the clearings now from time to time that they can no longer be regarded as an accurate test of business conditions unless these special influences are taken into consideration.

Gold continues to be exported in considerable volume, thus counteracting any expected ease in money rates. Railway earnings are still improving, while commercial failures this week were fewer than in the two weeks preceding. Anticipating special action from Washington in regard to prices, the steel industry has halted slightly. Good reports continue to come from the corn crop, but cotton reports are a trifle less favorable.

In the stock market in New York there has been a recession in prices, such matters as price-fixing and taxation having their effect. As to taxation, no final decision has as yet been reached, the War Revenue Bill not having passed the Senate. Business generally and incomes are going to be taxed much more heavily than was at first contemplated, both on account of the necessity for raising more revenue and for the reason that a disposition exists to conscript wealth and to tax with a heavy hand profits made out of war industries.

**BIG INCREASE IN SEPTEMBER MATURITIES.**

The aggregate bond and note issues of the leading railroad and industrial corporations of the United States and Canada maturing in September, as compiled by The Journal of Commerce, are \$30,114,981. This figure compares with \$29,571,410 for the previous month and \$14,306,187 for September, 1916.

Railroad notes, which include those of traction companies, total \$17,209,999, and industrial notes \$5,875,000. The maturing railroad bonds amount to \$5,988,316 and the industrial bonds to \$1,041,666.

The maturities for September, compared with similar figures for the previous month and for September, 1916, are as follows:

	Sept., 1917.	Aug., 1917.	Sept., 1916.
Railroad notes .. . . .	\$17,209,999	\$11,765,411	\$4,157,231
Railroad bonds .. . . .	5,988,316	15,793,000	3,689,956
Industrial bonds .. . . .	1,041,666	576,666	2,412,000
Industrial notes .. . . .	5,875,000	1,436,333	4,047,000
Total .. . . .	\$30,114,981	\$29,571,410	\$14,306,187

The editor of an Arkansas paper throws himself on the mercy of the court and makes no attempt to defend himself. He says: "The lawyers tell us that ignorance of the law excuses no man. And then we are solemnly informed that the lawmaking bodies of the country, state and national, in the past five years, have passed no less than 62,550. We'll plead guilty to the charge, whatever it is."

**Lake of the Woods Milling Company, Limited**

**DIVIDEND NOTICE.**

Notice is hereby given that quarterly dividends of 1 3/4% on the Preferred Stock and of 2% on the Common Stock of Lake of the Woods Milling Company, Limited, have been declared, payable on September 1st, 1917, to Shareholders of record at the close of business on Saturday, August 25th, 1917.

By Order of the Board,

R. NEILSON,  
Secretary.

**The Canadian Bank of Commerce**

SIR EDMUND WALKER, C.V.O., LL.D., D.C.L.,  
President.

SIR JOHN AIRD, General Manager.  
H. V. F. JONES, Assistant General Manager.

Capital Paid Up, \$15,000,000  
Reserve Fund, - \$13,500,000

**BANKING SERVICE**

This Bank provides every facility for the prompt and efficient transaction of all kinds of banking business.

# Trade Conditions in Canada

(From the Canadian Bank of Commerce monthly letter.)

## CROP CONDITIONS.

Indications are that the cereal crop of the Dominion will be quite as good, if not better, than that of a year ago. In the eastern provinces, favourable weather has resulted in satisfactory growth, and harvesting has already commenced. Threshing returns, it is fully expected, will show higher average yields than for some years. In some western districts, the crops are reported to be of an uneven character, but on the whole an average yield is expected. The yield of wheat will approximate that of last year, but that of some grains will be less.

## WHEAT AND OTHER FOOD PRICES.

The Government has prohibited the export of the remainder of the 1916 wheat crop to the United States and has fixed a maximum price on the basis of \$2.40 for No. 1 Northern at Fort William. This maximum price is now being obtained. At the close of July the amount in terminal, interior terminal and public elevators was 11,844,303 bushels, as compared with 17,549,964 a year ago, and 2,324,881 in 1915. It has been officially announced that the Imperial authorities will provide tonnage to handle all available wheat. This will doubtless stimulate exports, which are already on a very large scale, amounting to \$244,394,586 for the twelve months ending March, as compared with \$172,896,445 and \$74,293,548 respectively, in 1916 and 1915. The value of wheat and wheat flour exported was \$281,000,000, or 25 per cent. of the total exports of Canadian produce. This extraordinarily high value is due to the advance in the price, which, in the case of this grain, is 92 per cent. higher than a year ago. The Index of the Department of Labour shows the following average increases in prices as compared with those of a year ago: All grains 63 per cent.; animal and meat products 15.3 per cent.; dairy products, 33 per cent.; all other foods 44 per cent. Wheat and fresh vegetables show the greatest advances.

## LUMBERING AND SHIPBUILDING.

The value of the lumber, lath and shingles cut in 1916 was slightly less than in 1915, and amounted to \$66,072,222; of this \$58,365,349 represents lumber, of which 3,490,550 thousand feet board measure were cut as compared with 3,842,676 in 1915. In Eastern Canada the prospects for the lumber industry have been improved by the partial removal of the British embargo placed on shipments on private account. Canadian shipments are now permitted without licenses from the British Controller of Timber Supplies, when forwarded as deck cargoes. Purchases by the Imperial authorities have been insignificant in amount. Production has been limited by the enlistment of large numbers of men in forestry battalions for service in Great Britain and France. In spite of this decided handicap, and the resulting decline in quantity, the value of the output for the current year will probably be about the same as for last year.

In British Columbia the mills continue to operate as fully as the labour supply will permit. There is some increase in the local demand arising out of the improvement in general conditions, but the prevailing activity is sustained chiefly by orders from other provinces and from abroad.

The steel and wooden craft in course of construction at the present time in British Columbia yards are valued at \$20,000,000. Among the vessels being built are two for the Dominion Government, eight for the Imperial Government, four for Norwegian shipping houses and seven wooden schooners for the lumber trade. This activity had its inception not more than a year ago and its development has had a

very inspiring effect upon the business of the entire province. The traffic of the Port of Vancouver during the twelve months ending 31st March last, was the heaviest on record, the vessels entered inwards and outwards numbering 21,301, and registering 11,735,984 tons, as compared with 9,942,197 tons in 1916, and 10,347,563 tons in 1915.

## PULP, PULP-WOOD AND PAPER.

The value of the exports of pulp, pulp-wood and paper for the twelve months ending 31st March was \$52,975,457 or 31.9 per cent. more than in the previous twelve months. The increase is due partly to the advance in price and partly to the increased output. In 1916, 2,833,119 cords of pulp-wood were produced, as compared with 2,355,550 cords in 1915. A noteworthy development of the past decade has been the steady gain in the quantity of wood manufactured into pulp, while the quantity of pulp-wood exported has remained stationary.

## BRITISH COLUMBIA MINERAL OUTPUT.

The final returns of the British Columbia Department of Mines for the year 1916 show an output valued at \$42,290,462. Conditions were somewhat unsettled, as they have continued to be during the first half of the present year, but both the quantity and the value of the output are steadily increasing. Strikes of the employees in the coal mines have been the principal drawback, but at present conditions in this respect are fairly settled, and there is reason for hope that the returns for the current year will exceed those of last year.

The Provincial Mineralogist of British Columbia says: "Had it not been that the Crow's Nest Collieries through a series of mishaps—accompanied by a serious shortage of labour due to the war, followed by a labour strike—were unable to make as large an output as expected and intended, the coal and coke production would have been much greater; but as it was, there resulted such a shortage of coke as to partially close the copper smelters, and these in turn compelled the copper mines to very much curtail their outputs. But for these untoward circumstances, it is certain that the output for 1916 would have approached the \$50,000,000 mark."

## MONTREAL STOCK EXCHANGE.

Iron was the big feature of the local market during the past week, furnishing 14,800 shares out of a total of 33,500. Accompanying this activity was a 5 point advance. The other stocks to show activity were Steel Company of Canada with 3,700 shares and a gain of 3 points, Canada Steamships, with transactions of 5,800 shares, and a gain of 2 points, and Brazilian and Quebec Railway.

On the whole the market broadened out considerably and gave some encouragement to the patient bulls who have been waiting many months for signs that will indicate an advance. The market, however, did not expand as they expected and the probabilities are that they will have to wait some time for a realization of their hopes.

Comparisons of the turnover on the Montreal Exchange last week, the week preceding and the corresponding week a year ago, follow:

	Aug. 25, 1917.	Aug. 18, 1917.	Aug. 28, 1916.
Shares .. . . .	33,502	13,045	33,819
Bonds .. . . .	\$265,700	\$457,300	\$260,400
Unlisted shares.. . . .	1,039	210	1,266

# THE Molsons Bank

Incorporated by Act of Parliament 1855.

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

Head Office - Montreal

## BOARD OF DIRECTORS

Wm. Molson MacPherson - President  
S. H. Ewing - Vice-President  
Geo. E. Drummond - F. W. Molson  
W. A. Black - Wm. M. Birks  
E. J. Chamberlin

Edward C. Pratt, - General Manager

# THE Royal Bank of Canada

Incorporated 1869

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

## HEAD OFFICE: MONTREAL

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

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

LONDON, Eng. NEW YORK  
Princes Street, E. C. Cor. William and Cedar Streets.

SAVINGS DEPARTMENTS at all Branches

# THE Dominion Savings AND Investment Society

Capital - \$1,000,000.00  
Reserve - 250,000.00

Interest on Deposits, 3 1-2%  
Interest on Debentures, 5%, payable half-yearly.

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

# The Bank of Nova Scotia

DIVIDEND NO. 191.

Notice is hereby given that a Dividend at the rate of fourteen per cent. per annum on the paid-up Capital Stock of this Bank has been declared for the quarter ending September 30th, and that the same will be payable on and after Monday, the 1st day of October next, at any of the offices of the Bank. The Stock Transfer Book will be closed from the 17th to the 30th proximo, inclusive.

By order of the Board,  
H. A. RICHARDSON,  
General Manager.  
Halifax, N.S., August 17th, 1917.



# THE STANDARD BANK OF CANADA

HEAD OFFICE - TORONTO

## COLLECTIONS

Business houses will find our facilities for making collections particularly favorable.

## MONTREAL BRANCH

E. C. Gröen, Manager, 186 St. James Street

## UNION ASSURANCE SOCIETY LIMITED OF LONDON, ENGLAND

FIRE INSURANCE SINCE A.D. 1711

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

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

AGENCIES THROUGHOUT THE DOMINION

### YOU LOOK FOR SECURITY

Whether with the intention of taking out insurance or associating yourself with some Company, you look for security.

The latest figures emphasize the unexcelled financial position of this Company.

Business in Force over - - - \$59,600,000  
Assets over - - - - - 16,400,000  
Net Surplus over - - - - - 2,690,000

These are reasons why the Company is known as "SOLID AS THE CONTINENT"

**NORTH AMERICAN LIFE  
ASSURANCE COMPANY**  
HEAD OFFICE - - - - - TORONTO, CAN.

Founded in 1803

## THE LAW UNION AND ROCK INSURANCE CO. LIMITED OF LONDON

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

Canadian Head Office:

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

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

Offers Liberal Contracts to Capable Field Men  
GOOD OPPORTUNITY FOR MEN TO BUILD  
UP A PERMANENT CONNECTION  
WE PARTICULARLY DESIRE REPRESENTATIVES  
FOR CITY OF MONTREAL  
Chief Office for Canada:  
164 ST. JAMES STREET, MONTREAL.  
ALEX. BISSETT - - - Manager for Canada

## WESTERN ASSURANCE COMPANY

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

Assets Over - - - - \$4,000,000.00  
Losses paid since organiza-  
tion, over - - - - 63,000,000.00  
HEAD OFFICE - - - - TORONTO, ONT.

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

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

### The Independent Order of Foresters

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

Policies Issued From \$500 to \$5,000.  
TOTAL BENEFITS PAID (Over) ..... \$50,000,000

FRED. J. DARCH, Secretary. ELLIOTT G. STEVENSON, President.  
S. H. PIPE, F.A.S., A.I.A., Actuary.

### SIDE TALKS TO AGENTS.

We believe that the "secret" of writing a big lot of life insurance right along consists of five things:

- 1—Knowing the printed part of the business well.
- 2—Getting your talk down fine and delivering it fine.
- 3—Unusual efforts as to making friends.
- 4—Keeping one's self feeling and looking fine.
- 5—Working long hours every day.

Some of the greatest men in the business have shouted "Amen" to those five things, and they are piling up fortunes acting upon them.

Any agent can do the same.

Why isn't every agent doing so?

Simply because they do not put forth the effort required.

They can, but they don't.

Result is all kinds of bother and trouble, chagrin, etc., for them.

The good-stuff fellows need no twice telling. They do need reminding—need to be reminded of some things over and over, like all of us do, and need to be supplied with new ideas, etc. But the good-stuff men in the field become good-stuff by heeding the ideas—though perhaps differently worded, as listed above.—The International Lifeman.

### THE THREE GREAT RISKS.

There are three great risks—the risk of death, the risk of sickness and the risk of impairment. The risk of impairment means any change by which an insurable man becomes uninsurable or doubtful as a risk. Such an impairment need not relate to a man's own physical conditions, but may be the result of a change in his family history, as where any of his near relatives become afflicted with consumption, cancer, insanity, epilepsy, etc. Thus a prospect may at any time become an uninsurable risk not only by attacks of sickness or disease, which do not necessarily lessen his earning power, but by the afflictions of others not even related to him. To be denied the privilege of life insurance protection is a calamity, the seriousness of which is best appreciated by those who have had the experience. The risk of impairment is a strong argument for signing an application to-day.—Field Notes.

### THE HUNS OF THE STREET.

During last month the street accidents in New York City increased thirty-one per cent over those for June of 1916, 2,622 accidents being reported for the month, nearly ninety a day. Eliminating the usual eight-hour period for sleep, this represents over five accidents every working hour of the day.

Motor driven vehicles were responsible for nearly one-half of the casualties during the month, 1,097 accidents being directly traceable to automobiles and motorcycles.

The increase of fifteen per cent in number of accidents in the first half of 1917, fifty per cent of which were caused by motor driven vehicles, indicates that motor cars and unarmored tanks are the Huns of the street. These facts ought to be some sort of an excuse for life, accident and health insurance.

### EQUITABLE LIFE NOW MUTUALIZED.

The Equitable Life Assurance Society stockholders have voted in favor of mutualization.

The plan of mutualization of the Equitable Life Assurance Society having been approved by the stockholders, it will now be submitted to the policyholders and the State Insurance Department.

An amendment to increase the price to be paid to minority stockholders from \$1,500 to \$5,400 (the amount to be paid General R. Coleman du Pont for his control) was rejected. The society is capitalized at \$100,000. Thomas F. Ryan purchased the majority stock for \$2,500,000 in 1905, and placed it in the control of three trustees for voting purposes. Later J. P. Morgan paid over \$3,000,000 for this stock, and in June, 1915, General du Pont bought it for \$4,394,540. In order to further the plan for mutualization, General du Pont is willing to sell his controlling interest for approximately \$2,000,000 less than its cost, plus interest. His offer aggregates \$2,799,900, and includes in addition to the control stock 63 shares of minority stock at \$1,500 per share.

### UNITED STATES SOLDIERS' INSURANCE.

George E. Ide, chairman of the Insurance Committee appointed by Secretary McAdoo to make a report on the Administration insurance bill, summarized his conclusions as follows:

Our committee believes that the United States should adopt some plan for providing compensation and indemnity for our soldiers and sailors.

We believe that the terms of these benefits should be definite and known in advance so that they become part of the enlisted man's contract.

We believe that these benefits should be liberal and in keeping with our national spirit and our national wealth.

We believe, however, that such a plan must be scientifically devised, and that its scheme of administration must be wise, methodical and economical.

We believe that from this bill there must be eliminated all elements which are based upon anything but sound business principles, and in this measure no provisions should be contained which, although theoretically desirable, are practically of doubtful value.

We believe that Article IV is vicious in principle and that in view of the liberality of Articles II and III it is absolutely unnecessary and should be eliminated.

We believe that the amount of benefit to be distributed in each instance should be determined by the Government and not by the individual soldier.

And we believe that the costs and disbursements should be borne wholly by the Government.

Such a plan will add materially to the enthusiasm and loyalty of the enlisted man, who will feel that the nation is appreciative of his sacrifices and will take care of his dependents if disaster comes to him. Furthermore, such a plan, scientifically constructed, should do away for all time with our present system of pensions.

### PRIZE ESSAY TOPIC.

The prize essay subject selected by the National Association of Life Underwriters for the Cafey Cup and Williams Vase competition is "Service of a Life Insurance Agent to a Nation in Time of War."

## Home Bank of Canada



Head Office  
TORONTO

BRANCHES  
AND CONNECTIONS  
THROUGHOUT CANADA.  
MONTREAL OFFICES:  
Transportation Building,  
St. James Street.  
Hochelaga Branch,  
Cor. Ontario and Davidson  
Streets.  
1318 Wellington Street,  
Verdun.  
Collections made to any  
point in Canada where  
there is a branch of a  
chartered Bank.

## IDEAL WAR-TIME POLICIES Combining Savings, Investment and Protection Features.

It is a question whether there is a more completely satisfied class of men anywhere than those Mutual Life policy-holders who are to-day receiving settlements under maturing endowment policies. Year by year they have laid by in premiums sums that would otherwise probably have been dissipated; and now they find that for every \$100.00 so invested, from \$125.00 to \$210.00 have been received, depending on the length of the endowment term. Meanwhile their homes have been protected for the face value of the policies. Thus endowments in the Mutual of Canada combine an easy savings system with a gilt-edged investment and perfect home protection.

Secure an endowment with  
**THE MUTUAL LIFE ASSURANCE  
Company of Canada**  
WATERLOO ONTARIO

### "A Little Nonsense Now and Then"

"Boys," said a teacher to her Sunday School class, "can any of you quote a verse from the Scripture to prove that it is wrong to have two wives?"

A bright boy raised his hand.

"Well, Thomas," encouraged the teacher.

Thomas stood up. "No man can serve two masters," he said proudly.

"Algernon is very interesting," said the stock broker's daughter, as Tit-Bits tells it. "What does he talk about?" inquired her father. "Why, he's ever so well posted in Shakespearean quotations." "Young woman, said the financier, "don't you let him make sport of your ignorance. There ain't no such stock on the market."

Mrs. Timkins was taking her son to school for the first time, and after impressing the schoolmaster with the necessity of his having a thorough education, finished up by saying: "And be sure he learns Latin." "But, my dear madam," said the schoolmaster, "Latin is a dead language." "All right," said Mrs. Timkins, "he'll want it. He's going to be an undertaker."—Buffalo Commercial.

An enterprising Yankee went over to England and decided to open a shop in Birmingham. He obtained premises next door to a man who kept a shop of the same description, but was not very pushing in his business methods, preferring to jog along in the old conservative way. The methods of the Yankee, however, caused the older trader to wake up, and with the spirit of originality strong upon him, he affixed a notice over his shop with the words, "Established fifty years," painted in large letters.

Next day the Yankee replied to this with a notice over his store to the following effect. "Established yesterday. No old stock."—Exchange.

Moses kept a second hand clothes shop, and on leaving it in charge of his son Ikey during the dinner hour imparted to him the fact that on the price ticket one dot represented \$1, two dots \$2, and so on. Returning Moses inquired of his son: "Haf you had any customers, Ikey—vat?" "Yes, Fader, I have sold de grey coat and vest for \$8." "Vell, vell, now, you did goot business, for it was only \$5." "No, Fader, I kept the ticket; see, it has eight little dots here." The old Jew scratched his head, and, smilingly remarked "Jubilee Jerusalem! I vill never kill another fly."

In a New England town a local celebrity was brought up before the justice for stealing chicken, relates Case and Comment. The prisoner was noted for never telling the truth when he could help it and consequently there was general surprise when he pleaded guilty. It evidently staggered the justice. He rubbed his glasses and then scratched his head. "I guess—I'm afraid—well, Hiram," said he, after a thoughtful pause, "I guess I'll have to have more evidence before I sentence you."

Among those who heard their country's call to "do their bit" at farming, was a retired brakeman, says the Boston Transcript. He was ploughing up a piece of new land with a team of mules and had the reins fastened around his waist. Presently he saw a stump ahead and instinctively he began giving the railroad "stop" signal with both hands. The plough struck the stump and the brakeman went head over heels. Picking himself up he shook his fist at the mules and roared: "You flop-eared fools, don't you ever look back for a signal?"

Several years ago the late Booker T. Washington made an address in a small town in Georgia on the duty of the white man to the black, and of the black to the white. Washington, always an effective speaker, was at his best that night. At the conclusion of the speech, an elderly gentleman with white hair and in the dress of a well-to-do planter came to the platform. "Washington," he said, "I want to do what I never thought I'd do in my life—I want to clasp your hand. And, furthermore, I want to tell you that, regardless of color, you are the smartest man I ever heard talk." "I thank you for the compliment, but you do me too much honor," said Washington. "How about Colonel Roosevelt?" "Oh, him—" snorted the Georgian. "I ain't had no use for him since he invited you to dinner."

### SIX MONTHS' FIRE LOSSES.

The losses by fire in the United States and Canada during June, as compiled by the New York Journal of Commerce, were \$15,513,270, compared with \$12,247,500 in 1916 and \$10,893,950 in 1915. The losses for the first half of 1917 reach the unusually heavy total of \$144,621,725, compared with \$125,776,420 last year and \$92,391,000 the year before. The following table gives a comparison of the losses by months for the first half of this year with those of 1916:

January	\$21,423,350	\$36,431,770
February	24,770,770	29,587,660
March	38,680,250	17,523,000
April	12,681,050	18,597,225
May	15,973,500	24,968,800
June	12,247,500	15,513,270
Total, 6 months	\$125,776,420	\$144,621,725

### LIFE INSURANCE IN 1916.

In 1916 the life insurance distributions in the United States and Canada amounted to \$758,500,000, as computed by "The Insurance Press." The payments for death claims, matured endowments and other benefits amounted to \$476,900,000. For premium savings (dividends paid to policyholders), for the cash values of policies surrendered (for annuities, and to beneficiaries under policies issued in foreign countries, the regular companies in the United States and Canada paid amounts, estimated in part, that aggregated \$281,600,000.

Summation of life insurance payments of all kinds in 1916:

Claims paid in the United States and Canada	\$479,900,000
Payments for premium savings and surrender values, and to annuitants, and in foreign countries	281,600,000
Grand total	\$758,500,000

### THE GAME OF MAKING GOOD.

(J. R. Worden in "Simonds Guide.")

In the game of making good, there's a time limit. When we were seventeen, the future to us was a world unexplored, with time unlimited. But at thirty-five, or forty-seven, our perspective has changed. We look into the future through wiser eyes, and are startled—time has acquired boundary-lines. We look back at opportunities lost—at things done which we ought not to have done—at things left undone which we ought to have done—at long hours and well-meant labor which proved profitless. And it shows in our score.

We stand at the crest of the hill—the game is half over—to win we must capitalize the future with experience gathered from the past. But we cannot afford to put off till to-morrow. We cannot afford to miss even one opportunity. There is a limit—a time limit—and every day, every hour, every minute is reducing just that much our chance of rolling up a good score in the game of making good.

We can't afford to go through the year not knowing whether we are winning, playing even, or going behind. A year is three hundred and sixty-five precious days—eight thousand seven hundred and sixty hours—the best days and hours of our life, and we can't coax them back. If we are losing, we want to know to-day, so that to-morrow we can "change the trump." And next week, we want to know how much we profited by the change.

If we investigate, we find that a large percentage of all failures is due, not to lack of ambition, ability, or hard work, but rather to each man's ignorance of the actual condition of his own particular business.

Further investigation convinces us that the great majority of small retailers are capable, hard-working business men—working in the dark—waiting for the end of the year to find out if their score has gone up or down in the game of making good.

But we find the man who is making a "killing"—the man with the best score—is the man who labors less and thinks more—the man who systematizes—who installs a proper accounting system—the man who knows which clerk deserves a raise and which should be fired—who knows which lines should be discontinued and which pushed. He is the man who knows this week what he made last week. He is managing. We have the same opportunity. What he is doing we can do—we have the same ambition, ability and energy. But, we must be up and doing—we've reached the crest of the hill, and—in the game of making good there's a time limit.

## NEW RECORDS

Results secured during the past year re-affirm the position of the Sun Life of Canada as the largest life assurance organization of the Dominion.

Fair-dealing and progressive business methods have given it leadership in annual New Business, Total Business in Force, Assets, Surplus Earnings, Net Surplus, Total Income, Premium Income and Payments to Policyholders.

SUN LIFE ASSURANCE COMPANY OF CANADA  
HEAD OFFICE—MONTREAL

## AN IDEAL INCOME

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

Union Mutual Life Insurance Company  
Portland, Maine

on its

MONTHLY INCOME PLAN

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

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

WALTER I. JOSEPH, Manager

Province of Quebec and Eastern Ontario.  
Suite 502 MCGILL BLDG., MONTREAL, QUE.

## Commercial Union Assurance Company, Limited.

OF LONDON, ENGLAND.

The largest general Insurance Company in the World.  
Capital Fully Subscribed - - - - - \$ 14,750,000  
Capital Paid Up - - - - - 1,475,000  
Life Fund, and Special Trust Funds - - 76,591,535  
Total Annual Income Exceeds - - - 51,000,000  
Total Funds Exceed - - - - - 151,500,000  
Total Fire Losses Paid - - - - - 193,774,045  
Deposit with Dominion Government - - 1,245,467  
(As at 31st December, 1916.)  
Head Office, Canadian Branch:  
Commercial Union Bldgs., 232-236 St. James Street,  
Montreal, Que.

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

## A Free Course in "Salesmanship"

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

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

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

All correspondence strictly confidential.

CANADA LIFE ASSURANCE COMPANY  
Head Office, Toronto.



## German Life Companies Hard Hit by War

At the outbreak of the world war the German life insurance companies could look back upon an uninterrupted series of successful business years both in respect to the amount of insurance in force and to the writing of new business. The amount of new business written aggregated more than 1,300,000,000 marks (\$330,840,000) per annum and the total amount of insurance in force to more than 16,000,000,000 marks, with an annual premium income of about 700,000,000 marks, (\$166,600,000.)

The rapid progress indicated by these numbers has been seriously interrupted by the war. The general economic depression throughout the German Empire has, of course, lowered the amount of new business considerably. The agency staffs and field organizations have suffered serious losses from the fact that all their younger members and the majority of middle-aged agents have been called to the colors. The writing of new business has thus been seriously handicapped.

During 1913 not less than 1,334,000,000 marks (\$338,932,000) of new business was placed on the books, in 1914 this amount was reduced to 978,000,000, (\$232,764,000), and in 1915 only 437,000,000 marks (\$104,006,000) of new business was secured, or less than one-third of the business in 1913. During 1915 more than 720,000,000 marks (\$171,360,000) were paid in death losses.

On the other hand, lapses by non-payment of premiums or voluntary surrender of policies showed a decrease. In 1913 policies amounting to 404,000,000 marks (\$96,152,000) were forfeited or surrendered, this amount increased to 435,600,000 in 1914, while in 1915 only 330,000,000 marks (\$78,540,000) were allowed to lapse in this manner.

The net result is that the total amount of insurance in force as well as the annual premium income has been considerably reduced since the outbreak of the war.

In regard to the investments of the German life insurance companies, a large amount was subscribed to the first four German war loans. "The Imperial Insurance Department" states in its report that more than 850,800,000 marks, (\$202,320,000), were taken by the life companies as their share in the four loans. Moreover, it is claimed that over 633,118,000 marks (\$150,753,000) have been subscribed by policy holders through the efforts of the officials and agents of the companies.

In the beginning of the conflict the war loan was considered an excellent investment on account of its high rate of interest of more than 5 per cent, whereas the average yield of the ordinary investments was only about 4.5 per cent. Moreover, the first war loans were, at a time when Germany still professed belief in a speedy victory, considered a very safe investment. Of late the situation has changed somewhat. Many companies, among which may be mentioned the famous old Gotha Life, have, under the cover of patriotic motives, tried to unload some of their war securities on unsuspecting policy holders by declaring themselves willing for the sake of the Fatherland to pay matured claims in war bonds instead of in cash. In fact, most of the companies have encouraged the beneficiaries under the terms of the policies to take war bonds instead of cash at the time of maturity of the policies.

This situation is of some interest to the nations at war with Germany as it certainly does not indicate much faith among the German life insurance institutions in the ability of the Imperial Government to meet its future obligations. Another peculiar fact is the announcement by the Gotha in its annual report that this company attempted to purchase a large block of recent Swiss and Danish Government loans, but succeeded in getting less than one-tenth of the amount applied for. It is indeed an ominous sign when the companies try to unload their heavy holdings of imperial bonds on unsuspecting policy holders and make a mad rush for investments in neutral countries, at a considerably lower rate of interest than is earned on domestic bonds, besides sustaining a heavy loss due to the low value of the German mark abroad.

At the outbreak of the war the various companies founded a joint stock banking corporation known as the "Bank of German Life Insurance Companies." It was professed that this bank would come to the rescue of companies which might be in danger of becoming bankrupt through excessive war losses. Thus far only one of the smaller companies has found itself in financial difficulties and received support from the above institution. Other calls have not been made on the bank, which of late has placed its subscribed and paid-up capital stock in war loans.

Among the disbursements during the war period death claims play, of course, the most prominent part. The exact amount of the total death claims is unknown for the reason that many claims remain unsettled. In 1913, the year preceding the war, the claims from death alone amounted to 150,000,000 marks (\$35,700,000). In 1914 this amount rose to 219,000,000 (\$52,122,000), and in 1915 to 240,000,000 (\$57,120,000). The war losses paid during the last five months of 1914 were very high, and for many companies they were in excess of the total losses for the full twelve months of 1915. During the year 1916 the war losses actually paid were even lower despite the fact that a much larger force was under arms. One must, however, be very careful not to draw final conclusions from these figures. Many German companies are, according to clauses contained in their policies, not liable to pay claims arising from death due to war.

An exact analysis of the financial losses due to death from war would be of great interest, but is exceedingly difficult. According to an expert article in the German insurance organ, *Massius Rundschau*, the net reserves released through maturity by death amounted to 48 per cent of the total face value of policies terminated by death. Assuming that the general mortality, as apart from war mortality, would remain about the same, we might expect the same percentage of reserves released on account of death from ordinary causes. During 1914-15 the reserves released by all causes of death, including death directly due to the war, amounted to only 37 per cent of the face value of the total death claims. The reserves on hand for death arising from the war may, therefore, be assumed to have been rather small, indicating that a large number of those who were killed had taken out insurance after the outbreak of the war.

Two years after outbreak of hostilities German life insurance companies would accept no war risk except for an extra annual premium of from 4 to 6 per cent of the face of the policy. The war losses on policies written before 1914 have been met in part by the accumulated war emergency funds.

The surplus earnings of the companies have, of course, decreased. In 1913 the surplus was 177,000,000 marks, (\$42,126,000); in 1914, 154,000,000 (\$36,652,000), and in 1915 150,000,000 marks (\$35,700,000). The surplus earnings have been used with great precautions, as, according to the Government report, there is no way of knowing how long the war will last and how the additional losses may accumulate. Moreover, the companies realize that they will be confronted with heavy expenses in the reorganization of their field and office staffs when peace finally comes. They also realize the probability of an increased mortality among the civil population and heavy losses arising from a sudden drop in many of their securities.—By Arne Fisher, in the *Annalist*.

### DOMINION LIFE UNDERWRITERS' ASSOCIATION.

J. T. Wilson, manager of the Canadian Life Assurance Co. branch office at Halifax, was unanimously elected president of the Dominion Life Underwriters' Association at the session of the convention held recently.

The report of the nominating committee, which was adopted, provided for four vice-presidents, who were elected as follows: J. T. Parkes, of the Sun Life, Sherbrooke, Que.; G. Wetmore Merritt, of St. John; J. H. Campbell, of the Equitable Life, Vancouver; and E. S. Miller, of the Imperial Life, Regina, Sask.

George H. Hunt, of the Imperial Life, Toronto, was re-elected honorary secretary, and J. H. Castle Graham, of Toronto, re-elected general secretary and treasurer of the association.

### WIDOWS' PENSIONS.

The Board of Child Welfare of New York, distributed \$400,000 last year in widows' pensions. The 1917 appropriation has been increased to \$1,250,000.

Under this system 1,567 widows and 4,915 children received last year incomes which at least enabled them to keep body and soul together.

A report issued by the Board notes this fact:—"It is worthy of note that 228, or 17 per cent of the widows received no insurance whatever on their husband's death while 489 had only \$250 or less. Thus over half the 1,346 widows were left without any money from insurance other than that needed to pay the funeral expenses."

### WASTE AND WAR.

Five billion dollars in bonds are to be issued by the United States government in a few weeks for war purposes. At 3 per cent the interest on those bonds will amount to 150 million dollars. That is a big sum, yet it is only a little over half of the annual fire waste in this country. Preventable fires alone destroy enough property every year to pay the interest on the five billion dollar bond issue. If the war is to be won for democracy, waste must be eliminated and every resource conserved to meet the demands of war.—(State Fire Marshal of Kansas in *Insurance Press*.)

### A BRITISH INSURANCE MERGER.

The London and Lancashire Fire Insurance Company, which for more than a month past has been negotiating for the control of the Marine Insurance Company, is offering to purchase the latter's fifteen pounds paid shares on a basis of £57 per share, payable in shares of London and Lancashire debenture stock and five per cent war loan.

These terms will probably be accepted, but the Marine Company will continue to operate as a separate concern. It is expected that the sea insurance will pass into the control of the larger institution.

### TEN-YEAR BOYCOTT ON GERMAN GOODS IS URGED IN BRITAIN.

C. D. Lang, chairman of the "Sheffield Telegraph," has prepared a "solemn oath" for signature by those who will undertake "not (a) knowingly to purchase anything made in Germany and not (b) to transact business with or through a German for ten years after peace is declared." Mr. Lang writes: "For three years we have done without German goods, and it is to be hoped that the Imperial Government will decide in the interest of the Empire to impose a tariff of at least 50 per cent on all such goods in the future. In the meantime we can all individually do our bit by agreeing not to buy German goods, nor to do business with Germans. We can strengthen the hands of our Government and our Allies by signing a declaration, as individuals, so that, whatever happens, if our Government fails to exact just reparation we can show our detestation of Germany in a patriotic and practical way."

### WHAT TO DO IN THUNDER STORM.

#### Advice of an Electrical Expert.

(Electrical Experimenter.)

- 1.—Keep away from wire fences. They may carry a dangerous electrical charge long distances. Cattle in pastures are frequently killed from neglect of farmers to ground the wire of the fence.
- 2.—Keep away from hedges, ponds and streams.
- 3.—Keep away from isolated trees. Oak trees are frequently struck; beech are seldom struck. It is safe in a dense forest.
- 4.—Keep away from herds of cattle and crowds of people.
- 5.—Do not hold an umbrella over you.
- 6.—It is safer to sit or lie down in an open field than to stand.
- 7.—Drivers should dismount and not stay close to their horses.
- 8.—Do not work with any large metal tool or implement.

If you keep indoors:

- 1.—Keep away from the stove and chimney. The hot gasses from the chimney may conduct the lightning to and down and chimney.

- 2.—Do not take a position between two bodies of metal, as the stove and water pipe, for example. An exception to being near metals in the case of an iron bed. One of the safest places is on a mattress in an iron bed, provided you do not touch the metal. The metal surrounding you makes a safe cage which will prevent the lightning from reaching a person inside.

- 3.—Do not stand on a wet floor nor draw water from the well or faucet.
- 4.—Do not stand directly under a chandelier, nor a radiator, nor on a register.
- 5.—Do not use the telephone.

### MANGANESE DIOXIDE.

Inexhaustible deposits of manganese dioxide, a valuable iron toughening material, and in great demand for war munition purposes, are said to have been found in Cypress Hills, Alberta.

# LUMBER, PULP AND PAPER

## FINDS PAPER FIFTY YEARS OLD.

A copy of the Vicksburg Gazette, dated July 2, 1863, and printed on wall paper, was found recently by Frank Walford, of Jefferson, Ind. It was discovered in an old family Bible, where it has been for more than half a century. It was discovered by Mr. Walford while going through the effects of his sister-in-law, who died a few months ago. The paper is a copy of the edition that was not printed until after Grant's troops entered the city. It gives an interesting account of conditions, reflects the indomitable spirit of the defenders, and quotes Grant's boast that he would take his Fourth of July dinner in Vicksburg. Before the paper was printed, and two days after the first item was set, a statement was added to the paragraph to the effect that Grant had eaten his Fourth of July dinner in Vicksburg, and that he brought it with him.

## PRINT SHOPS AFLOAT.

A necessary adjunct to Uncle Sam's big fighting ships is a printing plant. Ship orders, radios and the like are now set into type and printed instead of old method of making duplicate typewritten copies. Most typesetting had to be done by hand until recently a linotype machine has been perfected to do the work. Ordinary typesetting machine was found to be useless because of tendency of molten metal to spill in rough weather, but a patent metal box now remedies this. In their spare time printer-jackies get out a monthly magazine, with ads and serial stories and general ship news which compared favorably with land printed variety.—Wall Street Journal.

## AN EMBARGO ON SULPHUR.

An embargo has been placed on exports of sulphur to Canada, in order that the supply for war needs of the United States may not be unduly depleted. Sulphur classified with explosives is included in the list of commodities for which export licenses are required. No shipments will be licensed, officials said to-day, until Canada has presented complete estimates of the requirements of the Dominion newsprint makers and of the needs of explosive factories. The impression was given by officials to-day that while there is every desire that the newspaper industry suffer no embarrassment, war needs will be given first consideration and it was suggested that sulphur may be permitted to go to Canada in limited quantities only even after the issuing of licenses resumed.

## CANADA'S LUMBER OUTPUT.

The value of the lumber, lath and shingle output reported by 2,609 mills operating in Canada in 1916 was as follows: Lumber, \$58,365,349; bath, \$1,743,940; shingles, \$5,962,933; total, \$66,072,222. In 1916 Canada cut 3,490,550,000 feet board measure of lumber, a decrease of 9.2 per cent from 1915. The cut decreased in all the Western provinces, as compared with 1915, British Columbia making the most pronounced gain. Canadian sawmills reported cutting twenty-five kinds of wood in 1916. Spruce, white pine and Douglas fir have for some years maintained their relative positions as the three leading species. In 1916 balsam took the place of hemlock in the fourth place. The soft woods contributed 95 and the hard woods 5 per cent of the total production. These proportions have remained about the same for several years. Generally speaking, the hard woods are produced in the Eastern provinces, Ontario and Quebec being the main sources of supply. The four leading hard woods—birch, maple, basswood and elm—have occupied their relative positions for several years, but in the 1916 list poplar replaces ash in the fifth place.

## SWISS KEEP PRINT PAPER.

An Exchange Telegraph despatch from Copenhagen reports that the Swedish Government has prohibited the exportation of newsprint paper on account of the shortage of timber, coal and sulphur for the manufacture of pulp.

## GROWING TREES THAT EARN THEIR OWN LIVING.

The principal burden of forest reproduction is due to the fact that the forest crop requires a great many years to mature. There are, however, many useful commercial trees that are also nut bearing trees and under proper selection and cultural environment can be made to pay for their upkeep, as quite an extended article in one of the forestry journals recently maintains. W. I. Gilson, assistant professor of forestry of the Michigan Agricultural College, in the forestry annual of that institution in an article on the maple syrup industry shows that in a normal sap year and on an average wood lot where the proportion of maple trees amounts to fifteen to the acre each tree will produce a profit of approximately 20 cents, or \$3 an acre. On wood lots where the proportion of sugar maple is larger the returns, of course, would be in proportion.

This article points out also that the status of the Vermont maple syrup industry has been largely attained by co-operation and joint systems of grading and marketing. He believes that much of this co-operative effort could be adopted to advantage in Michigan and that it would greatly promote the maple industry in that State.—American Lumberman.

## SAVING OF MAN POWER THROUGH MECHANICAL MEANS.

One of the early problems of our industrial future will be the more economical use of human labor to compensate in some measure for the men withdrawn for military service. In the lumber industry there will be a larger field than ever before for labor saving equipment of all sorts. This will extend to the felling and sawing of timber, the wider use of conveying machinery and in particular improved arrangement and equipment for lumber yards and sheds wherever this may be possible.

The tendency in modern sawmill design is to replace human labor by machinery. Take, for example, the system of live rolls and transfer chains upon which the lumber is shot along from the head-saw to the edger and thence to the timber dock or the sorting chain. Only too frequently, however, the live rolls stop at the beginning of the timber dock and their place is taken by dead rolls or none at all. Thus men are required to push, heave or haul timbers along the dock and pile them. Here as well as elsewhere there is ample room, which practically takes the form of necessity, for labor saving devices. The inefficiency and waste of human main strength and awkwardness are slowly but surely being replaced by the smooth, efficient energy of machinery. Automatic dry kiln stackers and all other labor saving machinery will have a greater vogue than ever before.

## SHINGLE ROOFS.

In discussing the question of shingle roofs on dwellings, Frank Lock, United States manager of the Atlas Assurance Company of London, said:

While it is easy to understand the origin and popularity of the shingle roof, it is in no wise necessary that it should be perpetuated. In the early days of the country when timber was the only quickly available building material, there was little alternative but to turn to the shingle. Added to its cheapness was the lack of transportation, which did not permit of easy access to other materials. Those days are gone, and the shingle largely persists because of thoughtlessness, but still more because of the power of the lumber organizations of the country. The small property owner who uses the shingle roof and who incurs the original outlay is very numerous. He has many votes in the municipalities and is enabled too often to vote down any attempt to prohibit the use of the shingle by ordinance in the municipalities. That it should be forbidden where the exposure hazard exists cannot, in my opinion, be gainsaid as a costly menace to the community at large. Milk from tuberculous cows, meat from diseased animals, might be pleaded for on the score of "cheapness." Fire and police departments should be attenuated on the score of economy, but all such arguments should be brushed aside as perils to the community.

## NEWSPRINT PRODUCTION.

The newsprint production of 25 United States mills in July totalled 81,279 tons, and 13 Canadian mills produced 48,670 tons, or a total for both countries of 129,949 tons. Total stocks on hand at all points in the United States at the end of July were 36,196 tons and 10,439 tons in Canada, a total of 46,635 tons.

## SHORTAGE OF PRINTING PAPER IN NEW SOUTH WALES.

The sudden cessation of shipping from North American ports and the closing down of Scandinavian paper mills from lack of fuel, foreshadows a paper famine in New South Wales.

What little paper is available has gone up in price enormously, and the consequence is that many papers have ceased publication. Other papers announce that owing to the necessity of husbanding their stocks the size of the issues will be considerably reduced.

## PAPER MANUFACTURING IN JAPAN.

Paper manufacturing in Japan is of two kinds, namely, Japanese paper and foreign paper manufacturing. The foreign paper is manufactured under large factory systems. The annual amount of this kind of paper manufactured reaches to more than 30,000,000 yen. Exports of this paper have reached to 9,700,000 yen. Of the pulp for foreign paper manufacturing, about one-half of it is imported from abroad. Recently, however, the pulp-raising industry in Hokkaido and Saghalien, or Karafuto, has been greatly extended, so that at the present a foreign supply is very little needed.

## THE NEWSPRINT SITUATION.

All through the depression in prices which has featured the paper manufacturing industry during the last four months the price of newsprint has remained firm. The plain facts are that there is to-day in the United States and Canada a shortage of newsprint output. This shortage will be further accentuated in 1918. For this reason and because of the steady advance in cost of production good authorities feel that further advances in price of newsprint must be made when new business for 1918 is signed up.

It is estimated that it is costing the mills of the United States on the average not far from \$8 per ton more to make their newsprint this year than last. Some mills will run as low as a \$5 additional cost and some as high as \$10. But \$8 is a conservative average. On the basis of this increased cost the newsprint producers tried to get a \$20 per ton advance in paper prices and missed their footing. As a result the selling price for newsprint is infinitely varied and haphazard.

On the other hand, most mills are getting prices enough higher to compensate for the increased cost of production. In the case of International Paper its net profits in 1917 will probably be a little under those of 1916 when a balance after interest of \$5,120,727, equal to 22.85 per cent on the \$22,406,000 preferred, was realized. This year the company ought to earn better than \$4,000,000 net for dividends, or say 16 per cent to 18 per cent for the preferred.

On the other hand, the newsprint mills as a group are facing a serious labor situation. The paper makers' unions are combining to demand a six-hour day. This means in effect a four tour instead of a three tour system. It would add 33 per cent at once to the labor bill and presumably would effect an increase in the cost of production that the higher selling prices for paper which are in sight for next year would be imperatively needed to offset.

British Columbia has 15,000,000 acres of standing timber.

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## Bank of Montreal

NOTICE is hereby given that a DIVIDEND of TWO-AND-ONE-HALF per cent. upon the paid up Capital Stock of this Institution, has been declared for the current quarter, payable on and after Saturday, the FIRST DAY OF SEPTEMBER next, to Shareholders of record of 31st July, 1917.

By order of the Board.

FREDERICK WILLIAMS-TAYLOR,  
 General Manager.

Montreal, 20th July, 1917.

## PROFESSIONAL

THE SOCIETY FOR THE ADVANCEMENT OF INSTRUCTION IN THE LANGUAGES.—Instruction in the Languages and Mathematics. No. 91 Mance Street, or telephone East 7302 and ask for Mr. E. Kay.



SEALED TENDERS addressed to the undersigned, and endorsed "Tender for Bridge over sluice ways, in St. Charles River, at Quebec, P.Q." will be received at this office until 4 p.m., on Tuesday, August 28, 1917, for the construction of a steel bridge, (two spans) over sluice ways in St. Charles River at Quebec, P.Q.

Plans and forms of contract can be seen and specification and forms of tender obtained at this Department and at the offices of the District Engineers, Shaughnessy Building, Montreal, P.Q., Post Office Building, Quebec, P.Q., and Equity Building, Toronto, Ont.

Persons tendering are notified that tenders will not be considered unless made on the printed forms supplied, and signed with their actual signatures, stating their occupations and places of residence. In the case of firms, the actual signature, the nature of the occupation, and place of residence of each member of the firm must be given.

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

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

Note.—Blue prints can be obtained at the Department of Public Works by depositing an accepted bank cheque for the sum of \$10, made payable to the order of the Honourable the Minister of Public Works, which will be returned if the intending bidder submit a regular bid.

By order,  
 R. C. DESROCHERS, Secretary.  
 Department of Public Works,  
 Ottawa, August 7, 1917.

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



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 MONDAY, 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 all others, that they must be present then and there; and I also give notice 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, August 20th, 1917.

## AIRMAN'S NEWSPAPER.

(Manchester Guardian).

"We all know in a way of the changes that the wonderful development of air travel in the war has brought about, but until peace comes we can have little idea how it will affect ordinary life. A hint of it can be seen in this story, told to me by a friend who dined recently at the Royal Flying Corps headquarters in France. "Would you like to see to-night's paper?" he was asked. He thought it was a joke, but the 6.30 edition of a London paper was handed to him. The explanation was: "One of our fellows brought it over with him." This aviator had left in the morning, had been at the War Office before business hours, and was back in France in time for dinner!

New Recruit—"And where do I go when this shelling business starts?"

Sandy (late of the "Wee Kirk")—"Laddie, that a' depends on your reelegious opeenions!"

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# GUIDE TO INVESTORS

## CANADIAN STOCKS

Quotations of Listed Securities on the Montreal Stock Exchange-

COMPANY.	Shares par Value.	CAPITAL.	DIVIDEND PER CENT.		1914.		1915.		1916.		1917.	
			Present.	When payable.	High.	Low.	High.	Low.	High.	Low.	High.	Low.
Ames-Holden	100	\$3,500,000	18	70%	18	55	23	55	35	19 1/2	23 1/2	16
Ames-Holden, pfd.	100	2,500,000	18	Last div. July, 1914	70 1/2	55	73 1/2	55	80	52	60	48
Asbestos Cor. of Can.	100	3,000,000	18					24	24	20	14	42
Asbestos Cor. of Can., pfd.	100	4,000,000	18					60	53	53	53	138 1/2
Bell Telephone	100	18,000,000	2	2 h.y.	150	140	159	140	152	148	150	45
B. C. Fishing	100	4,187,400	18		92	54	59 1/2	54	62 1/2	43	47 1/2	37 1/2
Brazilian Traction	100	106,600,000	1 x 1/4	Div. Passed Apr. '17	59	53					58	45
Brompton Pulp	100	1,850,000	2 1/2	Feb. 7, May 7, 17	219 1/2	171 1/2	193 1/2	142	182 1/2	165	165	166
Calgary Power	100	260,000,000	1 1/2	J. A. J. O.	120	48	120	50	84	22	46 1/2	25 1/2
Can. Pacific Ry.	100	4,225,000	1 1/2	Last div. July, 1914	109 1/2	98	101	98	101	63	89	59
Can. Car & Fdy.	100	7,500,000	1 1/2	Feb. & quarterly	31 1/2	28	48	28	72 1/2	37 1/2	69	57
Do, pfd.	100	13,500,000	1 1/2	F. M. A. N.	93	88	92	90 1/2	98	90 1/2	95 1/2	91
Canada Cement	100	10,500,000	1 p.c.	M. A. N. F.	40	34	34		46	30	41 1/2	40
Can. Converters	100	1,733,500	1 1/2	Last div. Oct. 1914	91	81	91	100	97	91		
Can. Con. Rubber	100	3,000,000	1 1/2	J. A. J. O.	97	97	101	100	97			
Do, pfd.	100	2,715,500	1	J. O. 1913, J. 1917	38	24	40	25	70	37	56	51
Can. Cottons	100	3,661,500	1 1/2	J. A. J. O.	78 1/2	70 1/2	77	71	82 1/2	75	80	78
Do, pfd.	100	1,500,000	1 1/2	Jan. July	92	92						
Can. Fairbanks pfd	100	860,000	1 1/2	Qly. May			243	65	227	175	205	150
Can. Fds. & Forgings	100	860,000	1 1/2	F. M. A. N.					85	85	84	84
Do, pfd.	100	8,000,000	2	J. A. J. O.	110	91	132	91	125 1/2	108 1/2	114 1/2	101
Can. Gen. Electric	100	2,000,000	1 1/2	J. A. J. O.	53	53	64 1/2	36	67 1/2	51	60	52 1/2
Can. Locomotive	100	1,500,000	1 1/2	J. A. J. O.	90 1/2	86	82	78	85	15 1/2	40	29 1/2
Do, pfd.	100	5,745,000	1 1/2		18	10	20	6	45	16	40	29 1/2
Canada Steamships	100	6,255,000	1 1/2		15	15	15	5	41 1/2	14	38 1/2	37 1/2
Do, Voting Trust	100	12,500,000	1 1/2	May, qly.	75 1/2	59 1/2	76	59	95 1/2	70	93 1/2	79
Do, pfd.	100	1,200,000	3 1/2				53 1/2	35 1/2	48	29	25	9
Carrriage Factories	100	1,200,000	3 1/2	July, Oct. 1916			81	75	75	70	82 1/2	75
Civic Power	100	63,696,100	1	15th P. M. A. N.					83 1/2	76 1/2	82 1/2	75
Con. M. & Smel. 1916	25	10,534,750	2 1/2	J. A. J. O.					45 1/2	28 1/2	38 1/2	25
Do, pfd.	1	1,999,957	5	Jan. 1917	1.95	1.00	1.00	32	60	38	44	32
Crown Reserve	100	2,752,200	1	last div. Apr. 1914	68	28	34 1/2	31	20	11	23	22 1/2
Do, pfd.	100	2,290,000	1	last div. Apr. 1915	92	85 1/2						
Detroit United Railway	100	12,500,000	2 1/2	M. J. S. D.	73 1/2	62	73	62	128 1/2	69 1/2	128	106
Dominion Bridge	100	6,500,000	2 1/2	F. M. A. N.	122 1/2	107	237	107	231 1/2	160	170	125
Do, pfd.	100	3,000,000	3 1/2	Feb. Aug.	106 1/2	97 1/2					92	88
Dom. Coal, pfd.	100	5,000,000	3 1/2	April, Oct.	93 1/2	68	96	73	105	22	95	89
Dom. Iron and Steel, pfd.	100	37,097,700	4 1/2	A. J. A. J.	41 1/2	19 1/2	52 1/2	20	82	42	71 1/2	52 1/2
Dom. Steel Corporation	100	400,000	1 1/2	last div. Jy. 1915	125	120						
Dominion Park	100	5,000,000	1 1/2	J. A. J. O.	64	64			80 1/2	74	89	76 1/2
Dominion Textile	100	1,925,975	1 1/2	J. A. J. O.	105	100	107			100 1/2	105	99 1/2
Dom. Textile, pfd	100	3,500,000	1 1/2	last div. July, 1915					43 1/2	41		
Duluth Superior	100	1,750,000	1 1/2		27 1/2	25			26			
Goodwins	100	1,250,000	1 1/2	last div. July, 1914	82	75				75		
Goodwins, pfd.	100	1,400,000	4	J. A. J. O.	169	160			185	160		
Halifax Electric	100	3,000,000	2		19.25	15.25	29.00	22.50	30.25	25.25		
Hollinger	5	833,500	1 1/2								74 1/2	68
Howard Smith	100	475,000	1 1/2	J. A. J. O.							75	
Do, pfd.	100	12,252,000	1 1/2	F. M. A. N.	68 1/2	60			44 1/2	44	87	84
Illinois Traction	100	7,135,500	1 1/2	J. A. J. O.	185	127	137	91	91	87 1/2	88	83
Do, pfd.	100	2,100,000	1 1/2	M. J. S. D.	120	115	120	129	136 1/2	126	130	125
Lake Woods Mill	100	1,500,000	2 1/2	J. A. J. O.	193 1/2	160	193	160	217 1/2	176	195	170
Do, pfd.	100	9,600,000	1 1/2				39	14 1/2	93	25 1/2	79	64
Laurentide	100	1,750,000	1 1/2	J. A. J. O.	86 1/2	75 1/2	84	76 1/2	89	79	88	82 1/2
Lyal Construction	100	41,380,400	1 1/2	J. A. J. O.	70	65	70	65	68 1/2	65 1/2	144 1/2	96
Mackay Co.	100	50,000,000	1 1/2	J. A. J. O.					122	96 1/2		
Do, pfd.	100	2,500,000	1 1/2	J. A. J. O.								
Maple Leaf Milling	100	3,000,000	1 1/2	M. J. S. D.	55	50	56	51	63	50	58 1/2	49
Do, pfd.	100	3,000,000	1 1/2	M. J. S. D.	103	97 1/2	99 1/2	99	103	99	102	100
Mont. Loan and Mtg.	25	600,000	2 1/2	F. M. A. N.	175	175	175	140	175	165	162 1/2	165
Montreal Telegraph	100	2,000,000	2 1/2	M. J. S. D.	140	134	140	136	175	135		
Do, Tram dchs.	100	4,000,000	2 1/2	J. A. J. O.	230	192	220	136	200	180	180	
National Breweries	100	16,000,000	2 1/2	April, October	83	75	81 1/2		81 1/2	75	77	72
Do, pfd.	100	2,254,300	3 1/2	half yearly	49 1/2	49 1/2			75			
N. S. Steel & Coal	100	2,775,000	1 1/2	last div. July, 1914	79	39	107 1/2	45 1/2	154 1/2	82	126	88
Do, pfd.	100	7,500,000	2	J. A. J. O.	120	110	125	110	115	110	112	105
Nipissing Mines	5	6,000,000	5 plus 5	J. A. J. O.	8	5.97	7.53	5.50	8.75	6.00		
Ogilvie Flour	100	2,500,000	2 plus 4	M. J. S. D.	123	107	144	107	152	128	145	137 1/2
Do, pfd.	100	2,000,000	1 1/2	J. A. J. O.	117	111 1/2	116 1/2	113	116	112	114	110
Ont. Steel Products	100	750,000	1	Feb. 1916			74 1/2	72 1/2	45	19	34	18
Do, pfd.	100	3,481,400	1 1/2	J. A. J. O.	171 1/2	139 1/2	123	120	120	93	95	80
Ottawa Power	100	2,150,600	1 plus 1	F. M. A. N.	85 1/2	48	63	49	78	59 1/2	73	69
Penman's	100	1,075,000	1 1/2	J. A. J. O.	79	79	82 1/2	82	86	82	82	80
Do, pfd.	100	3,000,000	1 1/2	last div. Oct. 1914	70	46			36		36	
Porto Rico Ry.	100	5,000,000	1 1/2	Initial Sept., 1916	60	50			131	60	120	115
Price Bros.	100	9,099,500	1 1/2		16 1/2	10	20	9 1/2	45	13 1/2	35	18
Quincy Railway	100	4,500,000	1 1/2	1 1/2 p.c. May, Apr. qly					150	59	127	106
Riordon P. & P. com.	100	1,000,000	1 1/2	last div. Feb. 1913					96	82 1/2	84	92 1/2
Riordon P. & P. pfd.	100	800,000	1 1/2	last div. Aug. 1913								
Russell Motor	100	1,200,000	1 1/2	last div. June, 1914								
Do, pfd.	100	1,500,000	1 1/2	J. A. J. O.	142 1/2	110	139 1/2	110	137	69 1/2	130 1/2	119 1/2
Sawyer-Massey	100	14,973,750	1 1/2	F. M. A. N.	60 1/2	53	63 1/2	55	55	54 1/2	56	56
Shawinigan	100	4,000,000	1 1/2	J. A. J. O.	104 1/2	98	100	99	100	97 1/2	99	98
Sherwin Williams	100	3,000,000	1 1/2	D. M. J. S.	20	15	45	28	57	33 1/2	55	45
Do, pfd.	100	1,718,600	1 1/2	J. A. J. O.	90	9			86	84 1/2	80	80
Smart Woods	100	8,000,000	1 1/2	last div. July, 1913	16 1/2	9	7 1/2	3 1/2	25	31 1/2	19	13
Spanish River	100	3,000,000	1 plus 1/2	carries div. Jy. '14	20	12 1/2	48	8 1/2	88	34 1/2	71 1/2	52
Spanish River, pfd.	100	2,699,100	1 1/2	J. A. J. O.	86 1/2	69	95	69	107 1/2	86	100	90
Spanish River, pfd.	100	2,699,100	1 1/2	J. A. J. O.	144 1/2	111	144 1/2	99 1/2	157	150	186	180
Steel Co. of Can.	100	11,500,000	1 1/2	F. M. A. N.	133 1/2	123 1/2						
Do, pfd.	100	6,496,300	1 1/2	J. A. J. O.	211	189 1/2	180		112	27	97	67

# COMMODITY MARKETS

## Week's Wholesale Review

Actual and prospective regulation of commodity prices has remained the dominating factor in many industries and in securities markets, and in certain raw materials and manufactured products decisive readjustment has resulted from other than official action. In contrast to the former rapid and practically general upturn, more recessions than advances now appear in wholesale quotations, and the possibilities of further downward revisions enter largely into calculations. Where continued yielding is foreshadowed, either because of accumulations of supplies or for different reasons, buyers are not disposed to operate except at concessions by sellers, and where there is uncertainty as to the changes to be effected, as in steel and iron, new business is still waiting. Increasing caution in entering upon forward engagements has become a more conspicuous feature; yet the abatement of the rush to contract ahead at almost any figure has made the situation more wholesome, and it is an indication of confidence in the future that comparatively few cancellations of orders are reported. With the crops turning out better than previously seemed likely, and with farm staples bringing highly remunerative prices, the purchasing power in the agricultural regions shows no diminution, and in the large industrial centres it is well sustained by full employment of labor at record wages. The scarcity of skilled hands, and the strikes at scattered points, still act as a brake on manufacturing, and the chief problem confronting most producers, as it has been for some time, is the difficulty of making deliveries with the desired promptness. Improvement in transportation conditions has facilitated shipments and gross railroad earnings, 13.7 per cent in excess of last year's for two weeks of August, reflect the heavy volume of traffic, while bank clearings continue to set new precedents for this period. Dun's Review.

## COUNTRY PRODUCE.

### EGGS.

There were no important developments in the Canadian egg situation during the week. The tone of the local market in the early part of the week was stronger and prices for selected and No. 1 stock were advanced 1c per dozen to 48c for the former and to 44c for the latter, at which level they closed firm, while strictly new-laid stock was unchanged from a week ago. Owing to the sultry weather which prevailed for the most part of the week and the high prices ruling, the consumption has not been so large, consequently the demand has been only fair and principally for small lots to meet immediate requirements. In addition to this, there has been very little enquiry, if any, from English importers for supplies for fall shipment, in consequence the market on the whole is quieter but firm.

With reference to the receipts of eggs in Montreal from May 1st to date it does not indicate that, although they are over 896,000 cases short as compared with the same period last year, the production of eggs in Canada has been that much smaller owing to the fact that from the beginning of the season a year ago large quantities were received from both Canadian and American shippers for export account, and from May 1 to August 26, 1916, the shipments from the port of Montreal amounted to 81,870 cases, which were all included in the receipts, while this season to date, although it is impossible to give the actual quantity shipped, it is safe to say that they have not been anything like the above.

The receipts of eggs in Montreal today were 1,307 cases as against 1,930 for the same day last week, and 1,072 for the corresponding date a year ago. The receipts for the week ending August 25th, 1917, were 7,297 cases, as compared with 6,597 for the previous week, and 8,710 for the same week a year ago. The total receipts from May 1 to date were 199,160 cases, as against 288,783 for the corresponding period last year.

We quote prices as follows:—

Strictly new laid eggs	52c to 53c
Selected stock	..00c to 48c
No. 7 candled	..00c to 44c
No. 2 candled	..38c to 40c

## HONEY.

The feature of the week in honey was the arrival of several small lots of new crop make, for which there was a good enquiry, and some sales of white-strained in 30-lb. tins were made at 14c per lb., while some sellers asked as high as 15c. The demand for new honey in comb is somewhat limited, and one or two small lots were placed at 14c to 15c per lb., as to quality. The tone of the market has ruled very firm owing to the fact that supplies of strained honey are coming forward very slowly, and in consequence the volume of business is small.

We quote prices as follows:

White clover in comb	0.14½	0.15
Brown clover in comb	0.13	0.13½
White extracted	0.13½	0.14
Buckwheat honey	0.10	0.11

## MAPLE PRODUCTS.

There were no new developments in the market for maple product during the week owing to the fact that the demand at present is very limited from all sources for supplies, but, as stocks on spot are light and little is coming forward from the interior, the feeling is very firm, and prices are fully sustained.

We quote prices as follows:

Extra choice syrup, 13-lb. tins	1.65	1.75
Choice syrup	1.50	1.60
Good syrup	1.35	1.45
Lower grades	1.25	1.30
Sugar, per lb.	0.14	0.15

## BEANS.

Despite the large crop of beans in the United States and Canada, prices remain firm. There is considerable enquiry for supplies, but buyers find it impossible to fill their requirements at present.

We quote prices as follows:

Can. 3-lb. pickers	10.25	10.50
Can. 5-lb. pickers	9.50	9.75
Rangoon beans	8.75	9.00
Yellow-eye beans	8.00	8.25
Japan beans	7.50	7.75

## PROVISION MARKETS.

Live hogs of the choice variety sold at \$19 to \$19.50 per hundred pounds during the week; prices which constitute a new high record.

The trade in dressed hogs was rather quiet owing to the fact that buyers in most cases had provided for their wants earlier in the week, but the tone of the market was strong with abattoir fresh-killed stock in a wholesale jobbing way quoted at \$25.50 to \$26 per 100 lbs.

The market for all lines of smoked and cured meats was without any new feature to note, prices being still unchanged, but the prospects are that they will all be marked up by packers this coming week on account of the recent strength in the market for hogs and the sharp advance in prices. The demand during the week was good and quite an active trade was done for both local and country account. Hams weighing from 8 to 10 lb. sold at 39c. per lb., 12 to 15 lbs. at 29c, and heavier weights at 28c, breakfast bacon at 36c, Windsor selected bacon at 39c, and Windsor boneless bacon at 49c.

A good trade was done in lard throughout the week and the market was active with a strong undertone, but prices show no actual changes, sales being made in a wholesale jobbing way of pure leaf grades at 25c to 25½c per lb. in 20-lb. wood pails, and compound lard at 21½c to 22½c per lb. in 20-lb. wood pails.

The receipts of provisions today were 32 packages lard, 48 boxes hams and bacon, and 625 packages tinned meats.

## POTATOES.

On account of the increased supplies of potatoes coming forward, a weaker feeling has developed in the market, and prices for Canadian stock have declined 10c to 25c per bag, and American potatoes 50c to \$1 per barrel. The demand has been good throughout the week for small lots to meet immediate requirements, and quite an active trade has been made with sales of Canadian at \$1.75 to \$2 per bag of 80 lbs., ex-store, and American potatoes at \$3.50 to \$4 per barrel.

## GROCERIES.

General advances were made in the grocery markets during the past week.

Sugar was again in an advancing market, although easier conditions were manifested in the primary market for raw sugar during the war. Now that the preserving season is on, the demand for sugar has been heavy. Advances have been recorded in macaroni, canned meats, mustard, cigars, canned lobsters. There was a generally higher tendency in provisions of all kinds. Meats advanced from ½c to 2c per lb. in certain cases. There is a strong situation on rice owing to higher prices in the Southern markets for new crop and on Eastern rices because of a further advance in freight rates.

## RECEIPTS OF BUTTER AND CHEESE.

The following table shows the receipts of butter and cheese in Montreal for the week ending August 25th, 1917, with comparisons:

	Butter, pkgs.	Cheese, boxes.
Receipts, Aug. 25, 1917	4,155	17,792
Receipts Aug. 18, 1917	4,635	11,781
Receipts Aug. 26, 1916	4,763	9,156
Week ending Aug. 25, 1917	14,994	87,358
Week ending Aug. 18, 1917	10,425	63,491
Week ending Aug. 26, 1916	20,918	76,351
Total receipts, May 1, 1917, to Aug. 25, 1917	209,710	1,088,944
Total receipts, May 1, 1916, to Aug. 25, 1916	283,746	1,294,097

## LOCAL STOCKS OF GRAIN IN STORE.

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

	Aug. 25, 1917.	Aug. 18, 1917.	Aug. 30, 1916.
Wheat, bush.	936,050	839,027	1,151,821
Corn, bush.	6,076	8,084	969,029
Oats, bush.	3,317,568	3,491,264	2,831,020
Barley, bush.	199,331	183,331	501,736
Rye, bush.	1,680	1,812	174,766
Flour, sacks	60,976	60,827	48,588

## RECEIPTS OF GRAIN AND FLOUR.

Receipts of grain and flour in Montreal at the end of the week were:

	G.T.R.	C.P.R.
Wheat, bushels	3,200	13,997
Corn, bushels	11,715	.....
Oats, bushels	20,000	.....

## MILLFEED AND ROLLED OATS.

The domestic demand for all lines of millfeed continues good, but, owing to the somewhat limited supplies still available from millers, the bulk of the business is in mixed car lots. The tone of the market is firm, with bran selling at \$35 to \$37, shorts at \$40 to \$43, and middlings at \$48 to \$50 per ton, including bags, delivered to the trade.

Although the recent weakness in the market for oats warrants a decline in prices for rolled oats, millers as yet have made no change, as they claim that good milling oats are scarce and this, coupled with the fact that most of them are oversold of the output of their mills, prices have been maintained, with car lots of standard grades quoted at \$4.40, and broken lots at \$4.45 to \$4.50 per bag of 90 lbs., delivered to the trade.

## STOPS BUYING CANADIAN HOGS.

The British Food Controller has notified the Canadian packers that no more Canadian bacon or hogs will be bought by the British Government. While the loss to the Dominion from a broad commercial point of view will affect the country's trade to only a small percentage, the effect on the packing industry will be serious.

The William Davies Co. last year shipped 97,791,000 pounds of bacon to England, and the exports of other Canadian companies are understood to have brought the total up to nearly 200,000,000 lbs., without reference to exports of other pork products.

**LOCAL GRAIN MARKETS.**

A drop of 5 cents per bushel in Winnipeg wheat and a smaller drop on the Chicago Pit was reflected on the local market over the week end.

The feature of the local market for the week has been the increased demand for supplies from all sources, and, in consequence, a more active and a larger volume of business has been done than for some time past. The trade has been principally in oats, which to some extent may be attributed to the decline in prices during the week of 2½c to 3½c per bushel. This, coupled with the limited supplies available on spot on account of the fact that the bulk of the stock in store on spot is owned by the Government, there was a good demand and sales of some very large lines were made of all grades for shipment from Fort William. The market Saturday closed easy in sympathy with the weakness in the Winnipeg option market, but prices were unchanged, with car lots of No. 2 Canadian western quoted at 74c to 75c. No. 3 C. W. at 73c to 74c, extra No. 1 feed at 73c to 74c, No. 1 feed, 72c to 73c, and No. 2 feed at 70c to 71c per bushel, ex-store.

The demand from Ontario millers towards the end of the week for Manitoba spring wheat was strong and quite a number of cars were sold to them at \$2.45 per bushel, ex-track Fort William for shipment. There was also a moderate amount of business done in American corn, and car lots of No. 2 yellow were sold for shipment from Chicago at prices ranging from \$1.85 to \$1.92, and No. 2 mixed at \$1.79 per bushel, ex-track.

**THE FLOUR MARKET.**

A drop of 40 cents per barrel took place in old crop flour last week. This was attributed to the increased offerings of new crop wheat flour from Ontario millers for future delivery at considerable lower figures than those ruling for old crop wheat flour, and the prospects are that prices for the latter will go still lower in the near future. This being between seasons for old and new crop wheat flour, buyers are not disposed to operate very freely, consequently, the demand has been principally for broken lots of old crop flour, and business is of a jobbing character, with sales of 90 per cent. patents at \$12 to \$12.30 per barrel in wood, and at \$5.80 to \$5.95 per bag, delivered to the trade.

There has been some enquiry for new crop wheat flour, and early in the week a sale of one car of 90 per cent. patents was made at \$10.40 per barrel in bags, ex-track here, for delivery during first half of September, but to-day Ontario millers in some cases offered the same grade of flour for the same delivery at \$10 to \$10.25.

There has been no important change as yet in the market for spring wheat flour, prices being maintained, with a moderate amount of new business passing. The demand is chiefly for small lots to meet immediate requirements, and sales of first patents were made at \$13, seconds at \$12.50, and strong clears at \$12.30 per barrel in bags, and 30c per barrel more in wood, delivered to the trade.

**DRIED FRUITS.**

Prices for dried fruits follow:

Evaporated Fruits.	Per lb.
Apples, choice winter, 25-lb. boxes...	0.13½ 0.14
Apples, choice winter, 50-lb. bxs...	0.13 0.13½
<b>Apricots—</b>	
Choice, 25's, faced, new crop .....	0.28
Nectarines, choice .....	0.11½
Peaches, choice .....	0.13
Pears, choice .....	0.15
<b>Dried Fruits—</b>	
Candied Peels (to arrive)—	
Citron .....	0.33 0.34
Lemon .....	0.25 0.26
Orange .....	0.28 0.29
<b>Currants—</b>	
Filiatras, fine, loose, new .....	0.21 0.22
Filiatras, packages, new, lb. ....	0.21 0.22
(In the present condition of market currant prices are considered merely nominal.)	
<b>Dates—</b>	
Dromedary, stock, old, 1-lb. pkg. ....	0.12½
Fards, choicest .....	0.12½
Hallowee (loose) .....	0.13
Excelsior .....	0.12
Anchor .....	0.09
<b>Figs—</b>	
8 crown, 12-lb. bxs, fancy layer, lb. ....	0.12
7 crown, 1-lb. bxs, fancy, layer, lb. ....	0.12
8 crown, 12-lb. bxs, fancy, layer, lb. ....	0.11½
1-lb. glove boxes, each .....	0.12

Cal. bricks, 8 oz., doz. ....	0.95
Cal. bricks, 10 oz., doz. ....	1.20
Cal. bricks, 16 oz., doz. ....	1.40
Cal. bricks, 10 lb., 5 rows, box .....	1.60
Cal. fancy, table, 10 lbs. ....	1.60
Spanish (new mats, per mat. ....	2.40
Comadore (Portugal), per mat, 33 lbs. ....	2.40
<b>Prunes, California—</b>	
30 to 40, in 25-lb. boxes, faced ..	0.13½ 0.15
40 to 50, in 25-lb. boxes, faced .....	0.13 0.14
50 to 60, in 25-lb. boxes, faced ..	0.12½ 0.13
70 to 80, in 25-lb. boxes, faced ..	0.12 0.13½
90 to 100, in 25-lb. boxes, faced ..	0.11 0.11
<b>Prunes (Oregon)—</b>	
30s .....	0.13
40-50s .....	0.12½
<b>Raisins—</b>	
Malaga, table box of 22 lbs., 3-crown cluster, \$3.00; 4-crown cluster, \$3.50; 6-crown .....	3.75
Muscatsels, loose, 2, crown .....	0.10½
Muscatsels, loose, 3-crown, lb. ....	0.10½ 0.11
Muscatsels, 4-crown, lb. ....	0.11½
Cal. seedless, 16 oz. ....	0.12½ 0.14
Fancy seeded, 16 oz. pkgs. ....	0.12½
Choice seeded, 16 oz. pkgs. ....	0.12
Valencias, selected .....	0.11
Valencias, 4-crown layers .....	0.11½
Prices quoted on all lines of fruits are liable to be shaded for quantities, according to the state of market.	

**FISH.**

Meatless days and the Government's advertising campaign to "eat fish" is having the effect of keeping prices at high levels.

<b>Smoked Fish.</b>	
Haddies .....	0.11 0.12
Haddies, fillet .....	0.16 0.17
Digby herring, bundle of 5 boxes .....	0.90
Smoked boneless herring, 10-lb. box .....	1.50
Smoked eels .....	0.12
Smoked herrings (med.), per box .....	0.17
<b>Salted and Pickled Fish.</b>	
Herring (Labrador), per bbl. ....	\$10.00
Salmon (Labrador), per bbl. ....	20.00
Salmon (B.C. Red) .....	18.00
Sea Trout, red and pale, per bbl. ....	15.00
Green Cod, No. 1, per bbl. ....	14.00 15.00
Mackerel, No. 1, per bbl. ....	21.00
Codfish (skinless), 100-lb. box .....	9.00
Codfish (skinless, blk. "Ivory" Brd., lb. ....	0.10
Codfish, shredded, 12-lb. box .....	2.00
<b>Shrimps, Lobsters.</b>	
Lobsters, medium and large, lb. ....	0.30
Prawns, Imperial gal. ....	3.00
Shrimps, Imperial gal. ....	2.50
Scallops .....	3.00
<b>Fresh Frozen Sea Fish.</b>	
Halibut .....	0.17 0.18
Haddock, lb. ....	0.07 0.08
Mackerel .....	0.10
Cod steak, fancy, lb. ....	0.08
Salmon, Western .....	0.16
Salmon, Gaspe .....	0.22
<b>Fresh Frozen Lake Fish.</b>	
Pike, lb. ....	0.10 0.12
Perch .....	0.10 0.11
Whitefish, lb. ....	0.14 0.15
Lake trout .....	0.14 0.15
Eels, lb. ....	0.10
Dore .....	0.14 0.15
Smelts, No. 1 .....	0.15
Smelts, No. 1 large .....	0.20
<b>Oysters.</b>	
Ordinary, gal. ....	2.00
Malpeque oysters (choice) bbl. ....	12.00
Cape Cod shell oysters, bbl. ....	12.00
Clams (med.), per bbl. ....	8.00
<b>Fresh Fish.</b>	
Haddock .....	0.07 0.08
Steak Cod .....	0.09 0.07
Market Cod .....	0.06 0.07
Carp .....	0.10 0.11
Dore .....	0.16 0.16
Lake trout .....	0.14 0.15
Pike .....	0.10 0.11
B. C. Salmon .....	0.20 0.22
Gaspe Salmon .....	0.25 0.25
Gaspereaux, each .....	0.05 0.05
Western halibut .....	0.18 0.20
Eastern halibut .....	0.18 0.18
Flounders .....	0.07 0.08
Perch .....	0.09 0.09
Bullheads .....	0.12 0.12
Whitefish .....	0.14 0.15

Eels .....	0.10
Brook trout .....	0.30
Mackerel (large), each .....	0.20
Mackerel (medium), each .....	0.18

**RECORD BEAN CROP.**

In recent jubilation over the country's excellent crop prospects, one important factor was overlooked. The humble bean has leaped into prominence which almost justified our ranking it with King Corn. The production of navy beans — which might just as well be called "army beans" — represents a remarkable agricultural achievement.

The recorded bean crop of the country has stood, in recent years, at about 10,000,000 bushels. The 1915 crop was 10,321,000 bushels, and the 1916 crop 8,846,000. These figures represent only the output of the six leading bean States, California, Michigan, New York, Colorado, New Mexico and Wisconsin.

Well, this year four States alone have raised 22,141,000 bushels of beans. And they have done it by increasing their bean acreage by 184 per cent. Michigan alone, with its 8,281,000 bushels, has almost duplicated the output of the whole country for last year. California is a close second, with 7,268,000 bushels. Then follow New York with 2,935,000 bushels, and Colorado with 2,601,000.

Other States yet to be heard from will no doubt add several million bushels. But the production mentioned is in itself reason for national self-congratulation. There will be beans for everybody. We could feed all the armies in the world, with that crop. The bean allowance to soldiers is 400 ration to a bushel. The crop of our four great bean States would make a full year's rations for more than 24,000,000 soldiers.—Arizona Gazette.

**FOREST PROTECTION.**

The state of Maine makes an annual appropriation of \$71,400 for forestry work. Of this, \$69,400 is expended on fire protection, \$1,000 on nurseries and reforestation work, and the balance on investigations and publications.

In Massachusetts, the annual forestry appropriation is \$83,000, of which \$33,000 is for fire protection, \$20,000 for the purchase and maintenance of state forests. The remainder, \$20,000, is expended for administration, publications and investigation.

**CREOSOTED WOOD PAVEMENTS.**

Creosoted wood block pavements are rapidly becoming recognized as the most satisfactory of all street paving material. They are noiseless, durable, sanitary, and if properly treated and laid are distinctly economical. The failures in the past which have in some cases prejudiced cities against wood blocks have been corrected, so that there is no excuse now for the existence of any wood block pavement which doesn't meet all of the modern requirements of service. The improvements in the methods of treatment and laying are largely the result of organized activity by various associations representing either the lumber interests or wood-preserving plants.—American Forestry.

**RAILROAD CO-OPERATION.**

Some interesting data on the manner in which the railroads are learning co-operative efficiency under the tutelage of the Railroads' War Board were given by William Sproule, chairman of the western department for the board. An order being sent out for lumber for the cantonment at Louisville, Ky., trees were felled in Mississippi pine forests on Saturday, kiln dried on Sunday, loaded on freight cars Monday, and delivered at the cantonment site, near Louisville, Wednesday morning. It took just three days for the carpenters to put up the buildings, so that they were ready for occupancy exactly one week after the trees from which they were made had been standing in the forest.—New York Times.

**JAPAN BUILDING BRITISH BOATS.**

Mail advices from Japan say an order has been received by the Kawasaki Dockyard Company of Kobe from Great Britain. The total value of ships ordered amounts to more than 50,000,000 yen.

The present order from Great Britain consists of fourteen freighters, the tonnage of which ranges between 9,000 and 12,000 tons. The total value of these ships will be about 50,000,000 yen. The British buyer will pay 40,000,000 yen in cash and 10,000,000 yen in either British or Japanese securities.

### TO CONSTRUCT PEANUT PRODUCTS FACTORY.

The largest peanut products factory in the United States is to be constructed in Texas by Woldut Grocery Co., at a cost of \$250,000. It will be equipped with machinery for manufacture of peanut oil and various by-products, including cake and meal for livestock feed. Peanut butter will also be one of the outputs. Prospects are favorable for more than 1,500,000 acres being planted in peanuts next season. To utilize this prospective production, many additional mills will be constructed.

### POTATOES WILL BE CHEAPER.

The Office of Information, of the United States Department of Agriculture, authorizes the following:

The huge potato crop, which the forecast made by the Department of Agriculture indicates will be produced in the United States this year, means that this important food staple will be cheaper, and makes it possible for American families that had to cut down on potato consumption because of high prices to restore the tuber to a prominent place on their bill of fare.

The department forecast, based on reliable estimates from all parts of the country, places the total potato yield at more than 467,000,000 bushels, as compared with 285,000,000 in 1916 and 360,000,000 in 1915. Potatoes of the current season are already in the market in large quantities, and, since the early harvested tubers can not be kept easily, should be eaten more abundantly now if spoilage is to be avoided.

### FOOD SUPPLIES OF COUNTRIES.

The following table, given out by the United States Department of Agriculture, gives estimated prices of relative imports, exports and productions of foodstuffs in the countries named (on the basis of 100 representing their consumption) prior to the outbreak of the war. It may surprise some persons to observe that before the war the United States imported more foodstuffs than she exported. The principal exports of foodstuffs from the United States are grain and meats, but these did not equal in value the imports of sugar and coffee. In addition to these much of our imports are tropical or subtropical fruits:

	Consumption.	Imports.	Exports.	Production.
United Kingdom	100	56.3	9.1	52.8
France	100	12.2	5.7	93.5
Russia	100	2.8	12.4	109.6
Belgium	100	63.8	20.1	57.3
United States	100	10.2	7.4	97.2
Canada	100	12.5	35.3	122.8
Argentina	100	5.3	53.3	148.0
Germany	100	20.8	8.4	87.6
Austria-Hungary	100	7.8	6.2	98.4

### CANADA'S CHEESE OUTPUT.

The deliveries of milk to cheese factories in Canada aggregated 2,600,542,987 pounds in 1916. The deliveries of cream to butter factories totalled 157,620,638 pounds in the same year. The number of patrons making these deliveries was 221,192.

There were 1,813 cheese factories in operation in the year named, 993 butter factories and 624 combined butter and cheese factories. In addition there were 16 condenseries.

The total production of factory cheese in Canada in 1916 was 192,968,597 pounds, of the value of \$35,512,530, as compared with 183,878,898 pounds of the value of \$27,587,775 in 1915. The total production of creamery butter in Canada in 1916 was 82,564,130 pounds of the value of \$26,966,357, as compared with 83,824,176 pounds of the value of \$24,368,636 in 1915.

The total value of factory cheese and butter produced in the Dominion last year was therefore nearly \$62,500,000. If to this is added the output of condenseries, milk and cream sold in cities and home made butter, it is probable that the grand total value of the dairy output of last year will figure up to at least \$120,000,000, and it will be much greater for 1917.

### EMBARGO ON CANNED GOODS.

Canned goods have been banned from the Canadian consumers' table by the Food Controller.

An embargo on the use of the canned goods was issued by the Food Controller, Hon. W. J. Hanna, on Thursday, after a conference with the Dominion Canners' Association and the wholesale and retail grocers. The order becomes effective at once, and remains in force in the territory east of Sault Ste. Marie until October 15. West of Sault Ste. Marie it ceases on October 1.

"Housewives have been using too much can-opener and too little cookstove," said Mr. Hanna. "Their domestic science has not taught them that there is a difference. We want them to use more cookstove and less can-opener."

The order-in-council has been approved, it is understood, by the Government, and it was expected to be signed by the Governor-General.

"What this is expected to do, and what we think it will do is this," explained the Food Controller. "It will help the green grocer to get the market that he deserves, and to get a market at a reasonable price. It will not work a hardship on the people in their habit of using canned goods, for as long as they can get green groceries they are not subjects for sympathy. I don't think much need be wasted on them. The man with green groceries to sell is entitled to a reasonable market, and for the consumers it is their duty to help to give it to him. In giving him that reasonable market they are but conserving for that part of the year when green groceries are not available to Canada, goods that are already hopelessly short of meeting the certain demands of the trade."

Certain exceptions are made to the order. They are mining and construction camps and dining cars, because of the difficulties that are obvious with the long hauls and the shortage of space.

### CANNING AND DRYING FRUITS AND VEGETABLES.

Much interest is being shown throughout the country in the measures adopted for the instruction of our women in the best methods of fruit and vegetables canning and drying.

The urgent need for the conservation of all foods has given a stimulus towards the saving of the perishable commodities. The Provincial Governments, through their Departments of Agriculture, have been active in putting on demonstrations throughout the country and the work has been very largely covered through the Women's Institute, Homemaker Clubs, etc., but there are many small towns and villages that have not had any help in this direction. People should write to their Provincial Government for bulletins on canning and drying. There is a fear that the shortage in bottles will prevent a greater part of the crop from being cared for. It is not commonly known that many of the things which are canned, such as beans, peas, carrots, swiss chard, etc., can be dried without materially altering the flavour. There is no elaborate machinery necessary for this process. It is as easy to dry fruit and vegetables as it is to can them. It simply requires a rack on which to place the material and protection from flies, etc.

By means of the process of drying we can save apples, pears, plums, cherries, peas, beans and all the herbs, parsley, thyme, mint, etc., efficiently and inexpensively.

A few years ago in most homes the only way of having green corn throughout the year was to dry it, while to-day we depend wholly upon canned corn, an article that costs three times the price of the dried, and is no better.

We are told by some that they have more vegetables than they need or than they can use, and, therefore, they are making no effort to save them. It is a world crisis, and no food fit for human consumption should be allowed to go to waste. Save all you can. Can it if possible. Evaporate what you cannot can. Give to someone else what you cannot take care of. Let no food perish. The success of the world struggle will be decided by food.

## Textile Mills

throughout Canada are working overtime on military and regular business

Four mills are now under construction. Several plants have resumed operations during the past few months. A number of concerns have recently doubled the capacity of their plants. Practically all the mills are installing new equipment as quickly as it can be secured.

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### A WORLD MEAT FAMINE.

Predictions of a world famine in meat after the war are made by Viscount Lewis Harcourt. The decrease of pasture land resulting from more extensive cultivation would, he said, reduce the supply of cattle. It will take Germany five years after the war to restore its stock of cattle to the normal figure of 23,000,000 head. He estimated that after the war Europe would want to obtain 16,000,000 to 20,000,000 head of cattle. For several years Germany will have to feed her people on imported frozen or chilled meat, and will come into a market where she has never bought before.

### BEET SUGAR CHEAPER.

An agreement by the United States beet sugar producers to limit the price of their products so as to effect a reduction of about 1½ cents a pound in the present price of sugar has been announced by the Food Administration, with a notice to the public that this should mean a saving of \$30,000 between now and the first of next year. It was also announced that the wholesale grocers had agreed to limit distribution charges to prevent exorbitant charges. In the near future the Administration will state the price at which wholesale sugar should be delivered at large consuming centres. The beet sugar price fixed is the equivalent of \$7.25, cane sugar basis, f.o.b., sea-port refining ports.

# The Government and the Canadian Northern Railway

Protest from Montreal business men

The following statement of objection to the Government's policy respecting the Canadian Northern Railway Company has been signed by a number of prominent members of both political parties in Montreal, chiefly Conservatives, and sent to Ottawa.

The signers are: Messrs. F. W. Molson, James Law, H. R. Drummond, Geo. E. Drummond, Armand Chaput, Ferd. Prudhomme, Zeph. Hebert, A. J. Brown, C. S. Garland, H. A. Ekers, Chas. Chaput, A. Guy Ross, Joseph Ainey, C. Meredith, C. S. Campbell, W. R. Miller, George Caverhill, Wm. McMaster, H. W. Blackwell, Andrew J. Dawes, Robert Hampson, George R. Hooper, George W. Sadler, W. W. Hutchison, Wm. C. Finley, F. H. Wilson, G. F. Benson, A. Craddock Simpson and James Morgan.

The statement is as follows:

The Government bill to authorize the purchase by it of the capital stock of the Canadian Northern Railway is half-way through the House of Commons, and will shortly be in the Senate.

If it becomes law, it will impose on Canada, at a time when the country is under an unprecedented strain, a burden of unknown magnitude, and one certainly greater than any ever before imposed upon this country, with the exception of the war debt.

The purchase of a defined piece of railway property is one thing. The buying of stock in a company with unascertained assets and unknown liabilities is another.

Once the Government becomes the principal owner of the common stock, it must provide out of loans or taxes due or to become due and for all future losses in operating.

The estimates of expenditure still necessary to be made run into enormous figures.

No one knows what the real extent of its obligations are. The railway has bonds outstanding and debts unpaid; so have its subsidiaries.

There are guarantees given by it to other companies, unpaid balances on contracts and upon accounts, but to what extent is unknown. What its assets are is equally unknown.

It operates and is interested in railway companies, land companies, telegraph companies, tunnel companies, lumber companies and hotel companies, but no one knows how far it owns them, what their assets or liabilities are, nor to what extent the railway company is responsible for their liabilities.

No other railway company nor any other group of business men would consider such an acquisition except after elaborate examination and reports from accountants and appraisers on the assets and liabilities and then only subject to a solvent guarantee that all supposed assets would be delivered, and that no undisclosed debts or obligations would appear. To find out these things, where such examination and guarantee cannot be had the usual course in the United States has been to place the road in the hands of a receiver, whose staff can ascertain them and place them before those interested an accurate and clear statement.

Systems quite as large, notably the Union Pacific, the Atchison Topeka and Santa Fe and the Rock Island, have in the United States been through the process and have emerged from it with capital written down to correspond to the actual values, in a solvent condition, and able to perform their duties as public servants.

The only examination so far into the affairs of the Canadian Northern has resulted in the opinion of two out of three railway experts that the stock proposed to be purchased was worth nothing. This means that whatever its nominal value may be, the unsecured debts are more than enough to prevent its being sold to any reasonably prudent purchaser. In view of the fact that no money was paid to the company for the stock and that the company has never been able to earn anything upon it, there was and is no reason to expect any other result from examination.

No agreement or obligation to purchase is produced. In fact, nothing has transpired, except verbally and then between members of the Government whose names are not disclosed. In fact, what is to be paid, who is to get paid for it, what the cost and the attendant obligations are, no one knows. The smallest transaction in common life could not be concluded in such a way, and any attempt to do it by trustees responsible to a court would unquestionably be a breach

of trust, and this is the largest and most onerous undertaking ever contemplated by any Canadian Government, and the most risky. It is safe to say that no road capitalized above its earning power can ever be a useful public servant, nor can any road bought by a Government for more than its worth ever be anything but a continuous drain on the tax payer.

The Canadian Northern Railway was built as a private speculation. Its bonds were sold to financiers at a discount. No money was received into its treasury for its stock. Nothing has been made public which would justify the taxing of other citizens of this country for the purpose of giving fictitious value to these bonds and stocks. The interest and other charges on Canada due to the war increase every day and even now are so great that it is difficult to say from what source they can be paid without an economic strain never hitherto undergone and a cutting down of expenses not yet even begun.

The credit of the country abroad is less than it has ever been. The last loan of \$100,000,000 at 6 per cent. for two years, netted only \$96,111,111. In other words the country is borrowing money at a charge of more than 8 per cent. per annum.

(NOTE—According to the Hamilton Times of Aug. 17th, Sir Thomas White stated the net proceeds to be \$96,250,000, not \$96,111,111, and that the commissions and charges were 1½ per cent. He was speaking of a two-year 5 per cent. loan. The cost would be 8 per cent. if the 1½ per cent. comes out of the \$196,250,000, but not otherwise.)

Its future credit may depend entirely on the belief of foreign bankers that good money will not be sent after bad, and that speculative enterprises will be allowed to find the financial level called for by their intrinsic merits.

The undersigned, all of whom as investors, have a stake in the prosperity of this country, desire to call the attention of their fellow-countrymen to the grave risk they all are running of having their own earnings diverted for the purpose of securing profits to bondholders and stockholders of a concern, the equity in whose enterprise has been declared by the only people at all in a position to form an opinion to be of no value. It is also urged that the strongest possible protests be made before it is too late to all senators and members of Parliament."

## SMALLER WOODEN SHIPS.

The wooden standard ship as adopted by the Canadian Government, and of which a considerable number have been contracted for in British Columbia yards is dimensioned as follows: Length, 250 feet, beam 45 feet 6 inches, and depth 25 feet, with a deadweight capacity of 2,800 tons on a 21-foot draft. The vessels are considerably heavier in construction than the United States Shipping Board's standard wooden hull. They will be fitted with box girder keelsons, have a deep tank forward for water ballast, and be propelled by triple expansion engines of about 950 horsepower. They will be constructed of Douglas fir and built to Lloyd's requirements for A1 classification.

## STANDARD SHIP ARRANGEMENTS.

The following is the character of the accommodation for seamen on the new standard ships:

The crews are berthed in the poop instead of the fore-castle. Separate cubicles or rooms are provided, each fitted with two berths, these cubicles being situated along the side of the vessel.

The messing arrangements for the firemen and seamen respectively are entirely separate from the sleeping accommodation, and a smoking room is provided also for the general use of the men. Each cubicle is fitted with a folding table.

The firemen's and seamen's wash places respectively are fitted with clothes lockers—one for each man.

The door and cubic space provided for the crew's accommodation is considerably in excess of the Board of Trade requirements. There are three spare cabins, with a separate bath and lavatory, which may be used for isolation purposes if necessary.

## HURRYING COAL SHIPMENTS.

Judge Robert S. Lovett, who has been designated as United States federal agent under priority shipments act, has directed 46 railroads to give bituminous coal shipments from mines for the Northwest via the Great Lakes precedence over other business.

## TOWARDS GOVERNMENT OWNERSHIP.

Pres. Vanderlip, of National City Bank of New York says, "We are sailing, not drifting, toward government ownership of railways." In his opinion not a few of the socialistic measures in force and to be adopted will become a permanent part of America's economic structure. He also thinks wages should be higher; that profits, not prices, should be taxed, and that tremendous expansion is inevitable. He believes future government borrowing will find 10,000,000 subscribers, as against the 3,000,000 who subscribed to Liberty Loan.

## WORLD'S SHIPBUILDING.

Figures of the new tonnage built during the six months from October, 1916, to April, 1917, were published by the Bureau Veritas and reproduced in the Paris "Temps" of Sunday last. No distinction is made in the figures between steamers and sailing vessels, but the number of the latter cannot be large:

	No. of ships.	Gross tonnage.
Great Britain . . . . .	261	680,946
United States . . . . .	150	484,381
Holland . . . . .	103	190,619
Japan . . . . .	46	123,913
France . . . . .	42	61,988
Italy . . . . .	20	34,051
Norway . . . . .	42	34,044
Denmark . . . . .	20	26,348
Sweden . . . . .	26	20,023
Spain . . . . .	7	4,422
Chili . . . . .	3	823
Russia . . . . .	5	750
Portugal . . . . .	3	216

Total . . . . . 723 1,667,524

The losses caused by German submarines are obviously much in excess of these figures, but we know that shipbuilding is largely on the increase, both in our own country and the United States.

## THE NEED OF SHIPS.

"It is easy to reckon," says the London Economist, "how much tonnage is necessary to transport an army from America to the European Continent, and how much tonnage is required to feed such an army. France and Britain are scarcely able to feed and supply their own armies without influence their military and economic situation. German judgments of the capacities of their enemies have not always been infallible, and we expect that the great General Staff, while calculating the tonnage necessary for an American army, neglected to take full account of America's almost limitless productive capacity in ships. For America's army will need to be transported and supplied by America's ships. The usual Staff calculation of transport, for an oversea expedition is four tons of shipping per man. A million tons of shipping are necessary to move the men, guns, wagons, food, ammunition and so on, for an army of 250,000. When the distance is short, as in our own case of a narrow channel, a great deal less than four tons per man will do the work. For the long American voyage, especially under the modern conditions of unlimited guns and shell, probably more than four tons per man would be needed. But even if an American army of a million men required five million tons of shipping to be constantly engaged for its support, we are confident that the millions will be forthcoming. Nothing has been more striking during the past two years than the expansion in America's capacity to turn out ships. In 1915 the United States completed 230,000 tons of steel ships; but in 1916 they produced 531,000 tons, and this year reckon confidently upon 1,400,000 tons. General Goethals, the builder of the Panama Canal, who has been, until the last few days, in charge of shipbuilding in the United States, promises his fellow countrymen over 3,000,000 tons of steel ships put into service between June, 1917, and December, 1918. During the two years 1917 and 1918 America reckons on producing over 4,000,000 tons of new shipping, and those who have had experience of their energy, resources and standardizing methods expect them to be better than their word.

### THE PASSING OF THE WOODEN PASSENGER CAR.

"The recommendation of the Interstate Commerce Commission, repeated in its latest annual report, 'that the use of steel cars in passenger train service be required' seems in a fair way toward being carried out without further effort on the part of the Commission," says the New York "Railway Age Gazette" in an editorial in its current issue. The editorial is based upon a bulletin of the Special Committee on Relations of Railway Operation to Legislation, published in the same issue, in which it is shown that only three wooden cars for passenger train service were built in 1916, and only ten wooden cars for passenger train service were under construction on January 1, 1917.

The building of wooden passenger train cars has practically ceased. The bulletin shows that there were in passenger train service on January 1, 1909, approximately 629 all steel cars and 673 cars having steel underframes. On January 1, 1917, there were in such service 15,754 all steel cars and 6,136 cars having steel underframes, representing increases of 2,405 per cent and 812 per cent, respectively. There are now in service 39,169 wooden cars in passenger train service, indicating a retirement of 8,957 wooden cars from service since January 1, 1912, the date of the previous census. Of this number 2,213 were retired during the calendar year 1916. This record includes a total of 61,309 passenger train cars and covers reports from roads representing 235,406 miles of railway in the United States.

A significant addition to these facts contained in the bulletin is a statement of the approximate cost to the railways of replacing with steel cars the wooden cars now in passenger service. The average cost per car on the first of January varied for the different classes of passenger train equipment from \$14,800 for a baggage or express to \$37,000 for a parlor, sleeping or dining car. Taking the number of each class now in service at the average cost of each class, gives for the 39,169 cars a total replacement cost of \$881,000,000. At 5 per cent this cost represents an annual interest charge of \$44,000,000. If the wooden cars replaced be given an assumed value of \$4,000 each, the charge of operating expenses for the replacement with steel under the classification of accounts of the Interstate Commerce Commission amounts to \$156,670,000.

### TO MOVE 687,000 MEN.

The plans for the largest troop movement ever scheduled in the history of the United States are being perfected by the American Railways Association at the request of the government. Fairfax Harrison, chairman of the railroads' war board, has announced.

The movement, which concerns the 687,000 men of the national army, will start on Sept. 5, and between that date and the fourth day following, 200,000 men are to be entrained. They represent 30 per cent of the new army. One field army of 80,000 men requires 6,229 cars, comprising 366 trains, and 366 locomotives.

### CANADIAN GOVERNMENT RAILWAYS.

#### Temporary change in Prince Edward Island ferry service.

The Canadian Government Railways announce that, effective Wednesday next, August 22nd, there will be a temporary change in the ferry service between the mainland and Prince Edward Island, due to the withdrawal of the SS. Northumberland from the run between Point du Chene and Summerside to undergo necessary repairs.

Commencing Wednesday, 22nd inst., the SS. Avonmore will perform the ferry service between Picton and Charlottetown, the connection eastbound being with the Maritime Express leaving Montreal at 9.25 a.m. daily except Saturday, arriving Charlottetown 10.00 p.m., the following day, and westbound leaving Charlottetown at 7.00 a.m., connecting with Maritime Express westbound, due Montreal 7.20 p.m. daily except Monday.

### ENGLISH LANGUAGE AFTER THE WAR.

(Minneapolis Journal.)

The war is going to produce many unexpected results. One will be the greatly increased influence of the English-speaking peoples of the world.

Not only have the English-speaking peoples of Europe and America been brought closer together by the war, but the British Empire has been solidified as it could not have been in any other way.

The German language is sure to be less employed in both countries, and against German philosophy and German views of life there exists a prejudice throughout the world which will not pass away until they have undergone radical change which it will take time to bring about.

There is no factor making more powerfully for a common interest and unity of spirit among people of the same or of different nations than a common language. You cannot have much in common with people with whom you have no means of conversing, but the stranger in a strange land gets on a new footing with you when you find that he speaks your language. Bismarck is quoted as having said in reply to a question as to what is the greatest political fact of modern times, "the inherited and permanent fact that North America speaks English."

The growth of the English language—that is the increase in the number by whom it is spoken—during the past 100 years was from 20,000,000 to 160,000,000, or 800 per cent, while the growth of the German language during the same period has been from 30,000,000 to 130,000,000 or four and a third times. That this growth of the English tongue will be greatly accelerated hereafter seems to be absurd. It is already making inroads in the Orient that promise general use there in trade in a few years. The undeveloped portions of the British Empire in Africa, Australia and Canada furnish room for millions of people who will come under the influence of the English language written and spoken and the growth of population in our own country is adding millions to the English-speaking population of the world with each decade. Closer trade relations between North and South America, sure to result from the war and the improved shipping facilities, will naturally result in a larger use of English in Latin America.

Germany will have no opportunity to counteract these tendencies. If she holds all her original territory in Europe after the war, she has lost colonies where English will ultimately become the language of the people as well as the official language. If Bismarck did not over-emphasize the influence of language on political and commercial developments the war is going to result in conferring upon the English-speaking nations benefits and advantages which they never anticipated before it began.

### JAPAN'S SHIP PLATE ORDERS.

Steel plate shipments to Japan have been an outstanding feature of our phenomenal war exports. Quick to perceive the profit to be made out of merchant vessels in the face of a wholesale destruction of shipping, the Japanese have been concentrating every energy on shipbuilding. No matter what the cost, they have seen that a good return on the investment was certain; that the earning power of a steel vessel for several years after the war would far more than compensate for its present high cost. Paying as high as 11c and 12c per pound for American plates delivered in Japan, their absorption of this material has been the outstanding feature of the plate market.

An analysis of our steel plate exports reveals the extent of this striking movement toward Japan. By leaps and bounds the outgo to that country has increased from only 7,250 gross tons in 1913 and 3,275 tons in 1914 to 89,458 tons in 1916. For the ten months ended April 30, 1917, Japan's share of plate exports was 138,565 tons, or nearly 50 per cent of the total. The movement is a striking example of business acumen.

It is too early to measure the effect of the steel embargo, but it is hardly to be supposed that Japan will bring her shipbuilding programme to a standstill by failing to make a reasonable contribution of vessel tonnage to the urgent needs of the Allies in Atlantic transport.—Iron Age.

### EXPENSIVE SPORT.

"My time," said the magnate, "is worth \$100 a minute."

"Well," answered his friend, casually, "let's go out this afternoon and play \$10,000 or \$15,000 worth of golf."

### RAILROAD EARNINGS.

Returns for the third week of the month and the changes from the same week a year ago, follow:

Road.	Earnings.	Change.	P.C.
C. P. R. .. .. .	\$2,700,000	-\$160,000	5.6
G. T. R. .. .. .	1,371,233	+ 66,385	5.1
C. N. R. .. .. .	748,500	- 97,800	11.6
Total.. .. .	\$4,819,733	-\$191,415	3.8

### CANADIAN NORTHERN LABOR DAY SERVICE—MONTFORT BRANCH.

Canadian Northern announce the following alterations in train service account Labor Day.

#### SUNDAY, SEPTEMBER 2nd.

Train No. 46, leaving Huberdeau 6.30 p.m., will be cancelled.

Train No. 44, leaving Huberdeau 6.10 p.m., will stop at all stations connecting at Montfort Jct. with Canadian Pacific train arriving Montreal (Place Viger Station) 10.55 p.m.

#### MONDAY, SEPTEMBER 3rd.

Trains No. 48 will be cancelled and two extra trains will be operated, first extra train to leave Huberdeau, 5.20 p.m., arriving Montfort Jct. 8.25 p.m., Montreal Place Viger Station, 10.00 p.m., second extra train leaving Huberdeau 6.20 p.m., arriving Montfort Jct. 9.15 p.m., and Montreal (Place Viger Station) 10.55 p.m. Both these trains will stop at all stations.

For all particulars apply to Canadian Northern Agent or City Ticket Office, 230 St. James St., Montreal, Que.

### SEPTEMBER IN ALGONQUIN PARK.

September in Algonquin Park, Ontario, is one of the most delightful months of the year. A beneficial holiday can be enjoyed with all the comforts of home at "The Highland Inn," situated in the midst of a charming wilderness on Cache Lake. It is also a good month for the camper and canoeist. Splendid fishing is found in the innumerable lakes (over 1,500) that nestle in the forests of pine and balsam. Don't leave it until the last minute to make your reservation at the Inn, and write to Miss Jean Lindsay, Manager, Algonquin Park Station, Ontario, for rates, etc., or to any Grand Trunk Railway agent for handsome illustrated booklet telling you all about the district.

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BETWEEN

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(Calling Falmouth to land Passengers)

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MONTREAL and BRISTOL

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