

RECEIVED  
JUN 7 1917  
Int. Agr. Inst.

# The Journal of Commerce

Vol. XLIII. No. 23

MONTREAL, TUESDAY, JUNE 5, 1917

Price, 10 Cents

## The Journal of Commerce

Devoted to  
CANADIAN INDUSTRY, COMMERCE AND  
FINANCE.

Published every Tuesday Morning by  
The Journal of Commerce Publishing Company,  
Limited.  
Head Office: 35-45 St. Alexander Street, Montreal.  
Telephone: Main 2662.  
Toronto Office: 263 Adelaide St. West, Toronto.  
Telephone: Adelaide 917.

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

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

MONTREAL, TUESDAY, JUNE 5, 1917.

### Special Articles

- The Relation of Credit to Modern Business**  
By W. W. Swanson, Ph. D.
- Banking and Business Affairs in the U. S.**  
By Elmer H. Youngman.
- Conditions in the West,**  
By E. Cora Hind.
- National Foresight and Preparedness,**  
By E. St. John Wileman.

### PRINCIPAL CONTENTS.

Editorials:	Page.
Home Rule and the Veto.....	1
Mr. Balfour.....	2
A New Science.....	2
Let Us Keep Faith.....	2
Shipbuilding.....	2
Conditions in the West.....	3
Banking and Business Affairs in the U. S.....	4
Mentioned in Despatches.....	5
The Relation of Credit to Modern Business.....	6
Public Opinion.....	7
Among the Companies.....	8-9
Bank of England Statement.....	10
May Bank Clearings.....	11
Industrial Effects of the War.....	12
The Exporter's Field.....	14
"A Little Nonsense Now and Then".....	15
News of the Week.....	16
Lumber, Pulp and Paper.....	17
Canada's Steel Output.....	18
Phosphate Deposits of Canada and Western States.....	19
Montreal Stock Exchange.....	20
Commodity Markets.....	21-23

## Home-Rule and the Veto

THE Irish question is naturally engaging much attention at present and many suggestions are offered as to methods by which there may be brought about that co-operation between the different sections of Ireland that is so desirable. The fear of the Ulstermen that in an Irish Parliament their interests would suffer is met in some quarters by the argument that they will be adequately protected by the veto power of the Crown on Acts of the Local Legislature. This view was forcibly presented in a recent article in The Montreal Gazette, which said:

"The fears of Ulster stand in the way of a settlement, fears of unfair treatment by the majority, of contraction of civil and religious rights, of undue taxation. But these fears appear unfounded if an appeal from the legislation of an Irish Parliament lies to the British Parliament, if, in a word, such a system as exists in Canada is introduced, by which all provincial legislation is subject to review by the Dominion Government. The Ulsterites may properly insist on such a safeguard, and having it, wherein does their danger consist? Their civil and religious liberties could not be contracted, save with the consent of the British Government in whom their confidence is now reposed, nor could any undue burden of taxation be placed upon them except with the approval of the same authority."

There are, we believe, other reasons why Ulster should not fear an Irish Home Rule Parliament. The northern part of Ireland, through the forces of its education, industry, enterprise and wealth would surely exercise an influence on Irish affairs much more than proportioned to the number of its population. But it is a mistake to ask Ulster to believe that in the Canadian system "all Provincial legislation is subject to review by the Dominion Government." It is true that technically the Canadian constitution gives the Dominion Government a power of veto on Provincial legislation; but that is only true in the same sense that the Imperial Government have a power of veto on the Canadian Parliament's Acts, and that the King has a power of veto on the legislation of the Imperial Parliament. The power exists in name, but only in name, because there is a very clear understanding that it shall rarely, if ever, be exercised. If the King should use his power to veto Acts of the Imperial Parliament, he would soon cease to be King. If the Imperial Government should veto Acts of the Canadian Parliament, the good relations existing between the Mother Country and the Dominion would quickly be changed. If the Dominion Government should

exercise freely its power of disallowance of Provincial laws, the Canadian constitutional system would be a failure.

In the case of the King as respects the Acts of the Imperial Parliament, and in the case of the Imperial Government as respects the Acts of the Parliament of Canada, these principles have long been recognized. In the case of the relations, in Canada, between the Dominion and Federal authorities there was at first a tendency on the part of the Dominion to resist these principles and to claim and exercise such a right of "review" of Provincial legislation as our contemporary assumes is now in existence. Sir John Macdonald was a strong centralist. If he could have done so he would have made the Canadian union Legislative instead of Federal. He would have had all the law-making power centered in one Parliament at Ottawa. He yielded with reluctance to the Federal idea, being obliged to acknowledge that in a country of such wide extent and diversified population as the British North American Provinces a Legislative union was impracticable. But though he had to accept the letter of the Federal principle and allow the Provinces to have their local Governments and Legislatures, he was slow to accept the spirit of that principle. As the Premier of the Dominion in its early years he manifested a marked desire to treat the Provincial authority as one subordinate to the Federal. He wished to make the veto power real. He claimed that it was the right of the Federal Government to sit in judgment on Provincial laws and to disallow any that were not pleasing the Ministers at Ottawa. His contention in this respect and his action in disallowing Provincial Acts raised an issue in which he was opposed by leaders of Provincial Governments, particularly by Mr. (afterwards Sir Oliver) Mowat. In this fight over the respective constitutional rights of the Dominion and the Provinces, Mr. Mowat and his associates were clearly the victors. The Provincial Legislatures were, under the judgments of the Privy Council in London, held to have larger exclusive powers than Sir John Macdonald had been disposed to allow them.

Out of these conflicts has grown a clearer and better understanding of the question of disallowance of Provincial legislation. While theoretically the power of disallowance remains unlimited, in practice the power is limited to certain well defined classes of cases. Apart from these the constitutional authority of a Provincial legislature is full and complete and not open to "review" by the Federal Government. If a Provincial Act is found to be in conflict with some policy which has been laid down by the Imperial or Dominion Government—as for example an Act which aims at the restriction of some right granted to aliens by Imperial treaties—it will properly

be disallowed. If a Provincial Act contains clauses which are believed to be beyond the Provincial power the attention of the Provincial Government will be drawn to them, and unless an agreement to repeal them be made, the Act will be disallowed. But so long as the Provincial law is not open to objections of that kind, it will be left to its operation, even though in the judgment of the Dominion Ministers the measure is unwise and unjust. The Federal system could not be successfully carried on if it were true that in practice "all Provincial legislation is subject to review by the Dominion Government."

### Mr. Balfour

THE selection of Mr. Arthur J. Balfour as the head of the British Mission to the United States was a very happy one. His great ability, his wide experience in the field of statesmanship, his long term in the British House of Commons, his service in many of the highest offices of British public life, including that of Prime Minister, and last, but not least, his personal charm of manner, which won for him the esteem of his opponents even in times of intense party conflict—all these tended to qualify him to present to the American authorities and to the American people the principles which have governed and still govern Great Britain in the prosecution of the war. Mr. Balfour has been eminently successful in securing the hearty co-operation of the American nation in the war work of Great Britain and her Allies. All Canadians must rejoice that he has been able to give a part of his time on this side of the Atlantic to a visit, necessarily somewhat hurried, to the Dominion, and to deliver inspiring addresses at Toronto, Ottawa and Montreal. Mr. Balfour may not be counted an orator, according to some standards. Oratory is almost among the lost arts in the British Parliament. With the ever-increasing volume of business to be transacted and of questions to be considered, with the large number of members who desire to be heard, the British House of Commons has found it necessary to create a style of speaking that differs from the eloquence of an earlier period. The House is not wholly indifferent to the words of a member who manifests some of the old-time eloquence; a little of that is at favorable moments appreciated yet; but what is regarded as of far greater importance is that a speaker shall exhibit evidence of hard study and correct information, combined with clear and forcible expression, a sincere purpose of fairly discussing the matter under consideration. There is no member to-day who in a larger measure displays these qualities, none who better exemplifies this highest Parliamentary style, than Mr. Balfour. It would not be surprising if one who has had forty-three years of service in the British Parliament had reached a time of life when impairment became evident. But there is no sign of this in the case of Mr. Balfour. He comes to us in what seems to be the height of his powers, both physical and intellectual, taking upon himself heavy burdens in the great matters of the time and giving to the Empire a noble service. Those who have had the great pleasure of hearing his thoughtful exposition of the issues in the war—the conflict between the underlying principles of true democracy and those of Prussian Militarism—will not soon forget the occasion or the man.

### A New Science

THE claim is being made by leaders in Germany that they, by their methods of organization, have given to the world a new science. The claim of a remarkable organization by a skilful, plodding, inventive people may not be questioned, but the how and why calls for consideration. Lord Bryce, in a recent address in London, said:

"Heaven save us from imitating Prussia! If we had to choose between such wealth as state control has given to the great business firms of Germany and freedom, let us have less wealth and more freedom. Let us preserve that independent personality and individual initiative to which we owe our achievements. \* \* \* Seventy years ago, the toast at gatherings in England used to be: 'Civil and religious liberty—the cause for which Hampden died on the field and Sidney on the scaffold.' Civil and religious liberty, in the old sense of the term, have been completely achieved in England, only to have liberty now facing a new attack from an unexpected quarter. It lies in the demand that the state shall at once step in to 'take charge of and direct branches of industry and commerce which have hitherto thriven without that direction—establishing banks, financing enterprises, organizing companies to exploit the resources of tropical colonies, perhaps secretly inspiring those methods of peaceful penetration by which Germany was trying to reduce her neighbors to financial vassalage.'"

These, Lord Bryce explained, are Prussian methods, for in Prussia the state is all in all, and the individual is bidden to serve it and be absorbed in it. He himself is distinctly not a believer in the old laissez-faire school, but he insists that all must preserve that individual freedom and initiative which have been "the glory and strength of Britain."

Commenting on Lord Bryce's address, the *New York Nation* says:

"But it is evident that Lord Bryce is not merely thinking of the temporary suspension or loss of rights during hostilities. He is warning us all against a new autocratic danger—the state. Shall we overturn Kaiserism and Czarism only to find that the state is no longer the servant, but the master, of the people, cunningly entrapping them into the loss of freedom by the lure of industrial and military and civic efficiency? Such efficiency does exist in Germany. What is the price the German people have paid for it? Lord Bryce is under no doubt. 'They have,' he says, 'been disciplined and drilled and trained to passive obedience, and obliged to take even their morality, if morality it can be called from their omnipotent state, which knows no ethical rule but its own interests.'"

Canon Kingsley had a saying: "That Madam How and Lady Why were always at our elbows." Lord Bryce has given us an explanation as to the—how—of Germany's deemed new science.

As to the—why, the answer is spread before a world. Wendell Phillips used to ask, as to any theory or system propounded, "Will it work?" In other words, what has the new science done, for Germany and a world?

For, within and behind the forty years organization was a purpose, made manifest in the attempt to obtain world domination, and

world supremacy. That efficient organization is excellent, calls for no explication; but, form, aim, purpose, the ends aimed at, are the justification.

Germany's working of the new science has called forth a feeling expressed by one of its leaders: "We Germans are the most hated nation in the world, and we are proud of it," was a loudly applauded remark of Professor Roethe to a Berlin assembly. We are told that "pride goeth before destruction, and a haughty spirit before a fall."

### Let us Keep Faith

THE extraordinary proposal has been made by a member of the House of Commons at Ottawa that the right to vote at elections shall be taken from persons of alien birth who, though they are fully naturalized British subjects, have resided in Canada only a few years. The movement (if it has no partisan aim) appears to be based on the idea that these people are not loyal citizens of Canada. Of course, if there is evidence that any person is disloyal, that person, whether a native of Canada or of alien birth, should be dealt with by the properly constituted authorities. If any person fails to discharge the duties of citizenship our laws and customs provide means whereby such person may, in one way or another, be penalized. But a proposal to disqualify any class of British subjects in this country as respects any of the rights or privileges of citizenship, on the ground of their short residence in Canada, cannot be justified. The period of residence as a qualification for naturalization has been fixed by our own laws. We have invited the world's citizens to come in and join us on these terms. The men who accepted our invitation, came in on the terms and conditions of our laws, complied with these, and became naturalized subjects of His Majesty, have a contract with Canada which Canada must unhesitatingly carry out. To ignore their title to citizenship, to treat their certificates of naturalization as mere scraps of paper to be flung aside as the Germans flung aside their treaty concerning the independence of Belgium, would be a proceeding that would shock every man having any regard for British fair play.

### Shipbuilding

AT a time when there is quite a revival of the wooden shipbuilding industry and fair prospect of the successful establishing of steel shipbuilding, the "Shipbuilding Number" of the *Halifax Chronicle*, issued a few days ago, is deeply interesting. Within the memory of older citizens the shipbuilding industry was a very flourishing one in the Maritime Provinces. The *Chronicle's* writers have told the story of these operations at the principal ports of the Provinces and of the prosperity which sprang from them, and have pointed out the opportunities that are now opening for renewed efforts along the same lines. An interesting article in the number is written by Mr. Wallace Downey, a Nova Scotian, who is now carrying on an extensive business in the production of "standardized shipping" in New York.

## Conditions in the West

By E. CORA HIND.

May 31st, 1917.

The big spring delivery month of May, which came in under such exciting conditions was closed out today with one of the tamest markets the west has seen. It will be remembered that the first step, in what proved to be, the closing of May and July futures, occurred on April 27th, when the board of censors was established. On that day May wheat closed at \$2.63½, though it had sold considerably higher. May month opened with a dull day when May wheat dropped to \$2.54, but the following day it jumped to \$2.80½ and closed at that figure, on May 3rd it closed at \$2.94 and was never again opened for trading. On that day No. 1 Northern wheat at the close of the future market was \$2.95½, or in other words was selling at 1½ cents premium over May. When the agreement was arrived at between the principal longs and shorts, it was provided that the cash prices, day by day, should be recorded by a price committee. It was further stipulated that these prices must be fair and reasonable and the mills and the allied governments, while following their judgment in buying, must consider both market conditions generally and the prices being paid in other markets.

It is interesting to note that there has been an almost steady decline in these prices since trading was resumed on May 7th in the contract grades; when No. 1 Northern wheat, under this agreement, at the close of the trading day, namely \$1.15, was posted at \$2.86. The following day it went up 4 cents, on May 9th it was \$2.94; on May 10th it was the same price, May 11th it went up to \$3.00 and stayed there for two days. May 13th was a Sunday and May 14th a holiday. On the 15th the price was \$2.85; May 16th, 17th and 18th it was \$2.77; May 19th it went up to \$2.80 and on the 21st dropped back to \$2.78, from which date to the end of the month it has dropped from 4 to 5 cents daily until the 31st was reached. The price posted at the close of the day was \$2.33 for No. 1 Northern wheat; a decline from the 3rd of the month of 62½ cents, and a decline from the price of the futures on May 3rd of 61 cents. The decline of No. 2 and 3 was the same.

Ever since the future market in May and July was closed the trade has really been concentrated on clearing up the May contract, and this has been, on the whole, very successfully accomplished. The evening-up trade of the last day was heavy, but by 11.30 everything was cleaned up. Deliveries of wheat through the clearing house have been comparatively light. It was felt for a time that May oats would develop almost as acute a condition as May wheat had done, but as the weeks went by, this apprehension gradually disappeared, and for the last 10 days in the month the deliveries through the clearing house have been very heavy, and the final delivery amounted to 358,000 bushels. What was curious and unexplained was the fact that May oats, with apparently no keen demand for clearing up contracts, remained from 4 to 5 cents over the July. The high point for the month in May oats came about the 9th; between the 9th and 12th, inclusive, the prices ranged from 81¼ to 80½. Since that time, however, the prices have been fairly steady, the highest point being made on May 19th, when they sold up to 79½ cents. There is no doubt that the oats market here broke in sympathy with the south, where the enormous acreage seeded to oats has been featured from day to day. The cash price of 2 C. W. oats has followed very closely the May future prices. The tough oats, of which there was a very large quantity, have been mainly sent to the driers.

Flax in common with other grain has suffered a material decrease during the month and so has barley. A certain amount of these grains has been turned in daily through the clearing house.

### HANDLING THE 1917 CROP.

The east probably knows quite as much as the west about what the delegations to Ottawa have achieved with regard to a system for handling the crop of 1917. The amount of information which has leaked through, so far, indicates that Dr. Robert Magill, at present secretary of the Winnipeg Grain Exchange, may be the head of the board of control for grain markets. This would be quite acceptable to the west, but the details of not only the control of grain but of other food control are very anxiously looked for.

The season is opening out here and very speedily the creameries and cheese factories will be in a posi-

tion to sell in car lots, and buyers are afraid to say what price will be paid, because they do not know to what extent government action may interfere with the matter. The serious depreciation of cheese prices in the east is already being reflected here, and if the British government is going to establish a lower price and adhere to it, it is only fair that producers and manufacturers should know it as speedily as possible.

In spite of the fact that the season has been late and the grass has made little progress, the creameries and cheese factories have done pretty well in the matter of milk and cream. Food prices for cows, however, are extremely high and if the price of cheese and butter is to be materially lowered, it will be at once reflected in the quantity of milk and cream available, as dairymen state that they cannot possibly produce milk for less than they are now receiving for it.

### MILK ADVANCES.

Milk in the city of Winnipeg is being advanced in price and will be 11½ cents per quart instead of

10 cents, the city milk handler having already agreed to pay the farmers a higher price for the milk. There has been some attempt made to prevent the slaughter of calves at the dairies, and to have these sent into the country to be raised, but the amount of saving along this line is small.

### FLOUR.

Flour has dropped twice during the past week and is now quoted at \$6.35 per sack of 98 pounds, for first grades. It ought to have dropped further in view of the decline in the price of cash wheat, but the millers announced to-day that they were making no further change.

### WEATHER.

The weather throughout the week has been unsatisfactory, having been extremely cold with heavy frosts at many points, and one or two points in Alberta reported frost of 16 degrees on May 30th, and frost of from 8 to 10 degrees was quite common. This is most unusual at this season of the year, though it has occurred before. It is likely that in some places oats and barley may have to be re-seeded; wheat is not likely to have suffered any permanent damage, excepting perhaps in limited areas where poor or weak seed had been used. There has been no rain yet this season and this probably helped, as had the surface of the ground been wet, the frost damage would undoubtedly have been greater.

## National Foresight and Preparedness

By E. ST. JOHN WILEMAN.

There is a real danger that war time exigencies will not only crowd into the background, but almost exclude from public consciousness, vital problems of future welfare for which far reaching preparations are immediately needed, if the new birth on the battlefield is to be translated into the transformed citizen of after the war. Far from minimizing the pressing necessity for furthering and safeguarding extensive economic and industrial expansion to meet fierce commercial competition in the future, there are yet other vital issues of fundamental importance which must be squarely met. They are the cleansing and humanizing of the conditions under which labour of all kinds, moves, works and has its being; and the marriage of capital and labour to avert what will be otherwise inevitable, their menacing divorce.

To effect these uplifting values, so potent with promise and fruitfulness, past hostile grouping must be merged into co-operative effort, the spirit of suspicious antagonism must give way to more sane estimates of attributes on both sides, the unselfish devotion and comradeship of the battlefield will supervene among all classes.

Nowhere is this new attitude more crucially needed than in Canada, with its heterogeneous population, wide unhabited areas, and struggling infant industries both agricultural and industrial, if the nation's growth is not to be retarded by chronic hostility and friction. A mighty impulse and conscience must take shape to build up a nation wide co-ordinated, co-operative welding together of the dynamic forces of all public authorities and individuals capable of useful concentration on the solution of after war problems, first for the whole nation's weal and then for individual benefit and prosperity.

The tests and examples of more developed nations serve as practical guides to younger communities. Striking illustrations of the utility and practical value of Government National Labour Bureaux systems is afforded by the findings respectively of the International Congress for Combatting Unemployment, held in Belgium in 1913, and of the final reports of the U.S.A. Industrial Relations Commission, the latter followed by prompt national organization on the part of the American Government. The example of two such dissimilar countries as the Argentine Republic and New Zealand show that their Government Labour Bureaux systems can be effectively used, not only for dealing with domestic labour conditions, but also for satisfactorily handling immigration problems. Great Britain affords a pertinent war time lesson by her attitude towards the demobilization of her troops and transference of her war equipment workers to normal occupations.

Before his death Lord Kitchener had arranged far reaching plans with the British Labour Exchanges Department for replacing soldiers in civilian employment. The present minister of labour, a strong labour man, has arranged to increase the number of

British Labour Exchange offices to 800, to meet the great strain of dealing with returned soldiers and war equipment workers, all seeking suitable employment. He also is arranging for the sanction of Parliament to a central board, empowered to co-operate with all public authorities and bodies of employers and workpeople in assisting the British Labour Exchanges to carry out their gigantic task.

Canada, to avert bitter feelings and a tragic debacle after the war, must concentrate upon securing the establishment of a permanent non-partisan commission, with a representative personnel, empowered to organize and administrate a system of free public Labour Bureaux from coast to coast, authorized in the fulfilment of its duties to co-operate with federal, Provincial and municipal authorities, bodies of employers and workpeople and other useful public organizations; (particularly the postoffice, in the franking of letters and distribution of Labour Bureaux literature); necessary decentralization being provided for by full co-operation with all Provincial Governments, and the establishment of small local boards of districts where Labour Bureaux are organized, composed of representatives of the city council, employers and labour; effecting too, far reaching co-operation with education authorities, to stimulate technical and vocational training of children in the public schools of country, to develop efficient citizens and to qualify each boy and girl for earning a livelihood; the just claims too, being met of the increasing number of women workers, for public recognition and representation; the efficient staffing of the system being safeguarded by the examination as to business efficiency and vocational fitness of every candidate for office under the system, by a board of competent examiners.

It is, of course, a sine qua non that the National Labour Bureaux system will not interfere in arrangements come to by bodies of employers and workpeople, or terms agreed upon between them.

The paramount duty of the commission when established will be to take a searching inventory of all public works, whether government, municipal or individual, and arrange that all of a non-essential nature be held over until the close of the war, to assist in forming a great reserve supply to fall back upon to meet the huge demand when peace is declared, and to prepare for absorption of able bodied returned soldiers and dislocated labour.

After the establishment of an efficient Dominion Labour Bureaux system, the door will be open to gigantic, vital, Imperial reforms for standardizing and co-ordinating labour and immigration conditions throughout the Empire, and the abolition of baneful commercial elements which have created such injurious problems in the past, as detrimental to nations as to individuals. Every Canadian is urged to do his active, energetic, bit publicly, in hastening this great consummation.

# Banking and Business Affairs in the U. S.

By ELMER H. YOUNGMAN, Editor Bankers' Magazine, New York.  
(Special Correspondence of The Journal of Commerce).

NEW YORK, June 2nd.

Plans are under consideration looking to the virtual closing of American money markets to foreign bond issues during the continuance of the war. Such action would be in the line with a general policy of conserving the country's financial resources for the most effective use both at home and abroad. The very magnitude of the task calls for concentration of management and the exercise of the greatest degree of care.

In future the buying of supplies for both the United States and the Entente Allies will be done through a purchasing commission, and the financial arrangements will be handled largely if not altogether by the Government, acting through the Treasury Department and the Federal Reserve Board. This arrangement, it is expected, will make for greater efficiency and economy, though undoubtedly depriving manufacturers and agents of some profits they have heretofore been receiving. But this loss may be partly compensated by steadier conditions than prevailed under the previous methods of making purchases.

It is still the hope of the Federal Reserve Board that a large number of the state banks and trust companies will come into the Federal Reserve System, so that the banking strength of the country may be still further united in meeting the vast financial problems of the present and future.

Some of the obstacles to the consummation of this desire have been removed by recent legislation liberalizing the Federal Reserve Act, but others yet remain. Of these the challenging of the right of country banks to make a charge when remitting for checks drawn upon them remains the most serious. A bill is pending in Congress to sustain the right to make this charge.

There is also opposition to the amount of reserves which the country banks are required to keep with the Federal Reserve Banks.

## ABILITY TO MAINTAIN EXPORTS.

Naturally, some question exists as to the ability of the United States to maintain anything like its present rate of exports either of provisions or of manufactures. The labor involved in production must be called for in a constantly increasing ratio to provide military supplies of our own, not to mention the number of men withdrawn for actual service in the ranks. There will also be calls for more and more of food and materials here. By reducing demands in certain lines, by the display of greater energy, and by calling into more active employment those who have been wholly or partly idle, we may to some extent overcome the relative shortage in labor and supplies. But with all these economies, the question persists as to whether a nation can indefinitely continue to produce and export goods to anything like the present volume which our statistics record from month to month. This question, in ordinary times, might be answered by saying the demand which gave rise to such abnormal exports could not itself indefinitely continue; but in the face of the war conditions prevailing in Europe, and which may last for some time, this answer is unsatisfactory. The demand created by a war of such gigantic proportions approximates the illimitable. Indeed, there is a call for certain commodities on the other side quite beyond our power to meet as rapidly as desired.

In other circumstances, too, the purchasing power of our customers might limit the demand. But here again there is hardly any limit to such power. Not only are some of the greatest and richest nations of Europe banded together, with their wealth virtually turned into a common fund, but behind this combination of nations stands the United States also. In effect committed to a policy of using its own credit power unreservedly to provide the funds with which the European nations may keep up their buying. And while measures have been taken to keep prices down to a reasonable basis, and to eliminate large profits, even high prices will not stop this demand, for it is necessitous.

In short, nearly all the ordinary principles of economics, where these operate freely, are upset by the extraordinary conditions into which the world is now plunged by the great conflict.

## THE FOREIGN TRADE.

Exports from the United States, for the first time in the history of the country, exceeded six billion

dollars in the twelve months ending with April, 1917, against less than four billion dollars in the same period of 1916, and two and a half billions or less in previous years.

Imports during the twelve months' period ending with April, 1917, amounted to two and a half billion dollars, against two billions in 1916.

During the month of April, 1917, exports of merchandise were valued at 530 million dollars, against 554 millions in March and 613 millions in January of this year.

For the ten months ending with April, 1917, the exports amounted to \$5,167,000,000, against \$3,394,000,000 one year, and \$2,225,000,000 two years ago.

The imports during April, 1917, amounted to \$254,000,000, which, with the single exception of March, is the record month of the last six years.

For the ten months ending with April, 1917, the imports amounted to 2,072 millions, against 1,723 millions in 1916 and 1,374 millions in 1915.

The excess of exports over imports amounted to \$3,560,000,000 in the 12 months ending with April, 1917, against \$1,914,000,000 in 1916 and \$848,000,000 in 1915.

For the ten months ending with April, 1917, the excess of exports amounted to \$3,095,000,000, an increase of \$1,424,000,000 over the excess of exports a year ago.

The imports of gold amounted to \$32,000,000 in April, 1917, against exports of gold amounting to \$17,000,000. The imports of gold during the ten months ending with April, 1917, amounted to \$833,000,000 which is \$490,000,000 more than a year ago.

The exports of gold during this period amounted to \$167,000,000, an increase of \$97,000,000. The excess of imports of gold over exports during the ten months' period ending with April, 1917, amounted to \$666,000,000 in 1917, against \$274,000,000 in 1916 an increase of \$392,000,000.

## TRADING WITH THE ENEMY.

Legislation is pending which would prohibit trading with countries now at war with the United States. This action would not have much effect on the present export movement, for the reason that these countries, thanks to the British Navy, were not able to buy much from this country even before we became involved in the war. Actually, also, there has been no loss of trade on account of this prohibition, nor will there be any. We are trading with the world more than ever before, the increase consisting in the demands from the belligerents and from those neutral nations no longer able to get supplies from their accustomed sources. Of course, even if it involved great hardship, American business men would uncomplainingly submit to a law obviously designed in the public interest. But it is a source of some satisfaction that under existing circumstances our merchants and manufacturers are able to make this patriotic sacrifice of trade without really losing anything in the operation. They have all they can attend to from friendly sources.

In normal times trade flows in the ordinary channels, governed by the law of supply and demand, without much regard to the personal feelings of either buyers or sellers. Individuals trade with one another with more or less regard to personal likes and dislikes, it is true, but in the realms of international commerce, where personal contact between the buyer and seller is not the rule, exchanges go on without much respect to considerations other than those of a commercial nature.

No doubt, when the war ends, and in the absence of a combined economic policy upon the part of nations now allied, trade will gradually be resumed along the lines heretofore prevailing. Next to having the kind of goods the customer wants and at the price he is willing to pay, proximity counts most heavily in international trade. The United States and Mexico have been pretty much tangled up in their relations in recent years, but trade went on very much the same as before; or, at least, it was but little restricted on account of ill-will between the two countries. Producers and merchants seemingly took but little note of the serious problems confronting the diplomats and statesmen.

Canada and the United States offer an excellent illustration of the effects of proximity in international trade. Happily, in this case, the factor referred to has worked in conjunction with close and friendly relations.

A striking evidence of the growth of banking power in the United States was afforded by the recent announcement that a single bank in New York had subscribed \$75,000,000 to the Liberty Loan. Of course, this did not mean that the bank in question had bought that much of the new bond issue to hold in its own coffers, but that it was able to subscribe for that amount of the loan with the assurance that such part of the subscription as it did not wish to retain could be allotted to depositors and correspondents.

An event of this character now attracts little attention, for the public are so used to large banking figures that anything short of billions passes with scant notice. During the Civil War, when Secretary Chase wanted to raise \$50,000,000, it was necessary to form a syndicate of New York banks; now a single institution can take more than that without going outside its own list of dealers.

The vastly enlarged expenditures of the Government and the increase in the size of business concerns have required that banks should be able to handle much greater transactions than formerly. It is rather surprising, in view of these changes, that more bank mergers have not occurred, bringing together a number of large banks into one single institution that would be of commanding importance. But this has not taken place, and the tradition of separate and independent banks which has always been a striking feature of our banking history persists under conditions which might seem to call for a different policy.

While there have been few consolidations of large banks, another development has occurred which has created banks of the size demanded by modern business growth. These banks have added somewhat to their capital and reserve funds, but their chief growth has been along the line of deposit banking. The New York banks have managed their resources with such safety and skill that a large part of the surplus capital of the country and of the world has sought this market. And while the Federal Reserve Act tended to deprive New York of some of its importance as a financial center, relative to the rest of the country, this tendency has been so small as to be negligible, in fact, New York's importance as a money market is much greater now than it was prior to the enactment of the Federal Reserve Law.

## THE BUSINESS SITUATION.

In our local business situation no unfavorable factors have developed. Bank exchanges for the week ended June 2 were \$5,457,333,510 (and this includes a holiday) compared with \$5,979,099,891 for the previous week and \$4,351,063,285 for the corresponding week of 1916. Business failures, though larger in May than in April, were below the same month for the two previous years. Stock prices toward the end of the week tended upward, and there was also an improvement in bonds. The condition of the cotton crop is below normal, being reported on May 25 at 69.5 per cent. against 77.5 per cent. on the same day of 1916 and 79.1 per cent. average on May 25 for the past ten years. Both foreign and domestic trade are at or near record figures. Prices generally continue to rise, the increase being attributed in many cases to the simple fact that dealers want to make more money and people are still willing to buy at the increased price.

There is an excellent outlook for the fruit crop, and it is estimated that the value of this year's product will be no less than \$500,000,000.

Wheat and flour have declined somewhat from the sensational prices of a few weeks ago, good crop reports from Texas and Oklahoma proving an important factor in bringing about the decline.

New financing for the past month was small, only \$48,300,000, which is below any other month since November, 1914.

So far as business depends upon sentiment, there appears nothing at present to retard the March of prosperity. But the opinion is again expressed that the war situation may have some rather startling surprises in store for business. The enormous amount of energy put into the Liberty Loan Campaign is a guaranty that the United States means to back up its challenge to Germany to the full extent of its power, and that this will in time count heavily in the struggle is apparent. Developments in Russia, and to a less extent the Chinese situation, are disturbing factors. It is beside the purpose here to deal with the military and political aspects of the war. These problems are for the consideration of military experts

(Continued on page 24).

## Mentioned in Despatches

**RIGHT HON. W. F. MASSEY.**—New Zealand is looming large on the Canadian horizon these days owing to the fact that Premier Massey and Sir Joseph Ward are crossing this country on their way home after attending the Imperial Conference. The Rt. Hon. W. F. Massey has been Premier of New Zealand for the past five years, succeeding Sir Joseph Ward. Massey is an Irishman by birth, going to New Zealand as a boy of fourteen, where he engaged in farming. He got his start in public life through farmers' clubs and various other agricultural societies. He has spent twenty-two years in the New Zealand Parliament, being leader of the Opposition, the creator of the reform party and Prime Minister. Recently the country formed a coalition government with Massey as Prime Minister and Sir Joseph Ward as Minister of Finance.

**SIR JOSEPH WARD** is also an Irishman, being born in the Emerald Isle in 1857, and going to New Zealand as a child of three, with his parents. He started his business career as a messenger boy in the postal and telegraph department, of which he afterwards became minister. He held a number of important portfolios, and was Prime Minister of the country from 1906 to 1912. Ward is regarded as one of the ablest of the overseas ministers.

**CAPT. WM. LEGGATT.**—Montrealers will be glad to know that Capt. William Leggatt has been mentioned in despatches. In pre-war days Leggatt was known to the business men of the city as a very courteous and efficient banker, being the assistant manager of the Canadian Bank of Commerce on St. James street. Capt. Leggatt went overseas as second in command of Major Cape's Battery.

**JUDGE A. C. GALT,** who is investigating the Manitoba graft charges connected with the late Roblin Rogers administration, comes of a well known legal family, being the eldest son of the late Chief Justice Sir Thomas Galt. Judge Galt was born in Toronto in 1858, was educated in that city, and there practised his profession for a time. Later he went West, and in British Columbia became prominent in legal circles. Finally he settled in Winnipeg, and for the past ten years has been a leading figure at the bar there. Judge Galt has written several books on various aspects of the law. Before being appointed to the Bench two years ago, Judge Galt was prominent in Conservative circles.

**LES DARCY.**—A few weeks ago Les Darcy, Australian pugilist, was denied the opportunity of fighting in New York State, Governor Whitman branding him as a coward for having left his own country when conscription was first mooted. Since that time Darcy has tried in vain to put on fights in the United States, but finally gave up the effort and enlisted as an aviator. At the time of his enlistment as an aviator he was pronounced by the doctors the most perfect physical specimen that ever entered the services of the United States Army. That was a month ago. To-day he is dead from an attack of pneumonia. Darcy was born in Australia, where he won the middleweight and heavyweight championships. Some time later he came to the United States and endeavored to secure a match with Georges Carpentier, the French champion, but the authorities would not allow the latter to leave France.

**MR. G. M. BARNES.**—Early in the war the British Government won the support of labor by limiting the profits employers could make and by giving workmen an adequate representation in the Cabinet. As a result of this policy able labor leaders like Arthur Henderson and G. M. Barnes have become members of the Cabinet and have done most effective work. Henderson has now gone to Russia on an important mission, and his place in the British Cabinet, and in the War Council, has been taken by Mr. Barnes. Mr. G. M. Barnes has been a consistent advocate of a vigorous prosecution of the war, and as he possesses a very great influence over the laborites his active co-operation has been a big factor. He was born in Scotland in 1859 and has represented a Glasgow division in the labor interests for the last dozen years. He has visited the United States in connection with the Moseley commission. Mr. Barnes edits the Engineering Journal, the organ of his labor society.

**WILLIAM STONE,** President of Stone, Limited, Toronto, a director of the Bank of Toronto, and connected with other corporations, has been elected a director of the Manufacturers' Life Insurance Company. Mr. Stone is probably the foremost lithographer in Canada, and in the course of his lifetime has built up a very large and remunerative business. He is unusually popular with the business interests of the Queen City.

**LT.-COL. N. NEWNHAN-DAVIS,** author, playwright, and soldier, of London, is dead. As a young man he had seen much hard service in India and other parts of the Empire, but retired from active service a few years ago and devoted himself to literary work. He was the author of a number of plays and editor of Town Topics. Since the outbreak of hostilities, however, he has been doing his bit in charge of interned Germans in England.

**COL. ALFRED H. STURDEE.**—The Sturdee family do not belie their name, because they seem to be sturdy fighters, both on sea and land. Vice-Admiral Sir D. Sturdee was the man who wiped out the Germans at the Falkland Island Battle, and thereby avenged the defeat of Admiral Craddock. Now Admiral Sturdee's only brother, Col. Alfred H., of the Australians, has just been invested with the C. M. G. by the King because of meritorious services performed in connection with the Army Medical Corps.

**M. J. O'BRIEN,** who has been elected a director of the Bank of Ottawa, is a Bluenose. He was born in Lochaber, N.S., in 1851, and early in life went into the railway construction business in which he amassed a fortune, later he extended his activities to include timber and mining operations. O'Brien makes his home in Renfrew, Ont., but his interests are spread over the entire Dominion. The O'Brien Mine at Cobalt, which he owns, has brought its owner millions of dollars in dividends. Since the outbreak of war Mr. O'Brien has been extensively engaged in the manufacture of munitions.

**SIR CHARLES BROOKE,** Rajah of Sarawak, who has just died in his eighty-eighth year, was one of those eccentric Englishmen who have helped to make the British Empire great. His uncle bought and armed a yacht, and with a number of picked men arrived in Borneo during an insurrection, took part in the programme, and assisted the Sultan in maintaining his throne. His reward came at the close of the fighting, when the Sultan presented him with Sarawak, over which he ruled until his death in 1868. He then passed on his title and prerogatives to Sir Charles Brooke, who has just died. Sir Charles was formerly in the Royal Navy, but resigned his commission to serve under his uncle in Sarawak.

**HENRY W. THORNTON.**—In Great Britain the control, if not the ownership, of railways has been nationalized as a war measure, and from all indications it looks as if that country would never go back to the old system of private ownership and administration of railways. There is a report that Henry W. Thornton, who is now general manager of the Great Eastern Railroad of England, will become a sort of general manager of the railway systems of the United Kingdom when peace comes. Thornton was formerly general superintendent of the Long Island Railway in the United States, where his efficient work attracted the attention of Lord Claude Hamilton, the famous English railroad magnate, president of the Great Eastern Railway. Thornton has rendered splendid service. The Great Eastern is one of England's most important railroads.

**MR. V. G. R. VICKERS,** for over a quarter of a century associated with the Dominion Express Company is retiring from the superintendency of the Atlantic division and the managership of the Foreign Department and is joining the Holden Company. Mr. Vickers knows the express and transportation business as few men in the Dominion and his genial manner and strong personality has been a big factor in securing business for the Company he represented for a great many years. He is a son of the late J. J. Vickers, the inaugurator in 1852, of the first express company to do business in what was then known as Upper Canada.

**SIR J. W. FLAVELLE,** Canada's new Baronet, is one of the big business men of the Dominion. He is director of the Canadian Bank of Commerce, President of the National Trust Company, President of the Wm. Davis Company, and a pillar in the Methodist Church. Shortly after the outbreak of hostilities he became head of the Imperial Munitions Board, where he has done most effective work. The new Baronet was born in Peterborough, in 1858.

**SIR GEORGE BURY,** Vice-President of the Canadian Pacific Railway, is a Montrealer, having been born and educated in this city. He entered the service of the C. P. R. as a boy in 1883, as a clerk in the purchasing department, later becoming stenographer to Mr. Thomas, now Lord Shaughnessy. Then came years in the Western and Central divisions of the Company's lines, where he gained invaluable experience, and became known as an authority on all phases of transportation. Recently he was sent to Russia to assist that country in solving its many transportation problems. He is fifty-one years of age.

**SIR JOHN AIRD,** General Manager of the Canadian Bank of Commerce, was born at Longueuil, Que., in 1855, educated in Toronto and then as a lad entered railroad work. After six years in the transportation field, he turned to banking, in which department he is one of the country's recognized authorities, being for the last few years general manager of the Canadian Bank of Commerce, and Vice-President of the Canadian Bankers' Association.

**SIR GEORGE BURN,** another banker to be included in the King's birthday honor list, was, until a month or two ago, general manager of the Bank of Ottawa, when ill-health compelled him to resign, although he still retains an intimate connection with the bank. Sir George was born in Scotland in 1847, and had considerable banking experience in that home of bankers before coming to Canada. He was made general manager of the Bank of Ottawa in 1880, and in point of service is the oldest banker in the Dominion. Sir George is keenly interested in many philanthropic and musical organizations.

**MAJOR-GENERAL SIR RICHARD TURNER, V.C.,** who has been knighted, is one of our ablest generals. He is the son of the Hon. R. Turner, of Quebec. General Turner has spent his life in the militia. Serving with distinction in the South African War, he was severely wounded, mentioned in despatches, and won the Victoria Cross, the D. S. O., and promotion. He went overseas in command of the 3rd Infantry Brigade, and is now in command of the Canadian Forces in England.

**MAJOR-GENERAL SIR ARTHUR CURRIE,** who is among the list of men knighted, went overseas as Commander of a Victoria Battalion, and won rapid promotion because of his very effective work. He is now commander of the First Canadian Division at the front. He won the D. S. O., the Legion of Honor, and other decorations of promotion. General Currie has been regarded as the most efficient Canadian officer at the front. In pre-war days he was in the insurance business in the West.

**CAPT. GEORGES GUYNEMER.**—France has a new hero who threatens to oust Joffre from the first place in the affections of the nation. Capt. Georges Guynemer, of the French Aviation Corps, has brought down thirty-seven German machines. He was made a captain when twenty-one years of age, but even then he had five German machines to his credit. The marked superiority which the English and French aviators have over the Germans is due very largely to the skill and daring of young men like Guynemer.

**LIEUT.-COL. B. C. DRAPER, D.S.O.,** mentioned in despatches a few days ago, is getting to be a frequenter of this column. Col. Draper won the D.S.O. for gallantry at the front, was wounded, and has been repeatedly praised by his superiors. He is a Montrealer and got his first military experience with the Victoria Rifles, later joining the 13th Scottish Light Dragoons, where he became known as an expert on musketry. He went overseas as second in command of the 5th Mounted Rifles, and when the commander, Col. Harry Baker was killed a year ago, Draper took charge of the battalion and has been in command ever since. He is a most efficient officer.

# The Relation of Credit to Modern Business

It is an Utter Confusion of Thought to Identify Money with Wealth.

By W. W. SWANSON, Ph.D.

Few persons realized until the outbreak of war the importance of credit in the modern business world. As by a flash, it stood revealed that the industries of the nations were inter-related and inter-dependent, bound together by the finest and most delicate mechanism ever perfected by man—credit. Many economists of international repute had understood this, and had predicted that, at the firing of the first gun in a modern war, this whole very real but unsubstantial structure would dissolve and leave not a wreck behind. Newspaper writers in general are fond of asserting that these predictions have fallen far short of the mark, and that, despite the enormous cost of the war, the nations have proved that they are able to carry it on as long as they retain control of material goods. The truth is, however, that the contentions of the economists have been justified up to the hilt. At the declaration of war, while the world's stock of material goods remained for the moment unimpaired, there was a staggering decline in the sum total of international wealth expressed in terms of market values or price. Just as a financial panic leaves unimpaired the sum total of goods within a nation, while at the same time it enormously decreases their value, so the shock of war destroyed an incalculable amount of wealth. It will probably be years before the old relations of confidence and mutual trust will be once more established among the nations; and until that time arrives the world will have lost enormously in potential and real economic power, not to speak of the material wastes that have occurred.

It is because credit is of such surpassing importance in the field of modern business that it has been thought worth while to devote some time to an examination of its real nature. Retailers, wholesalers and manufacturers, as well as all other producers in the community, are dependent for success upon the proper functioning of our credit institutions, whether among the banks or elsewhere. And yet it is safe to say that not one in a hundred understands all that is involved in credit, and in credit transactions. It is becoming clearer every day that the merchant or manufacturer who will meet with most success, is he who will take time to think carefully and intelligently upon fundamental business principles. And in that respect too much attention cannot be given to an examination of the place of credit in the modern business field.

## MODERN BUSINESS.

Modern business differentiates itself from the activities of a bygone day in so far as the roundabout process becomes evident in economic production. By the "roundabout" process is meant the spreading of production over a long period of time, to the end that the output of goods may be increased, as well as profits. For example, a generation ago, James J. Hill determined to enter the Chinese market for the distribution of flour. To effect this object he linked up his railway line by a branch line with the hard wheat fields of Manitoba; built a string of elevators, and constructed large flour mills at Minneapolis; and built a fleet of steamships for the Northern Pacific trade. All this took years of planning and of strenuous endeavour, as well as the investing of millions of dollars of capital, before flour was finally laid down in the markets of China. Finally, however, the export business was carried on on a colossal scale and at a large profit. There is, therefore, no comparison between the effectiveness of the modern capitalistic system of production and the old-time methods of production to meet local needs. All this, be it noted, was made possible by the use of credit.

It seems a far cry from the day of modern credit to the day of barter; and yet pioneers still live in both the East and West who recall when barter was the chief method of carrying on trade. Barter involved the bringing together of two individuals, not only with goods to exchange, but with a reciprocal demand for each other's commodities. Trade of this nature can obtain, of course, only in primitive and pioneer communities, and quickly breaks down when life becomes complex, and what are called "civilized" conditions arise. It is then necessary to substitute a more efficient instrument of exchange to take the place of the primitive methods of barter. Hence arises the demand for, and the need of, money.

## PERIOD OF ADVANCE.

The introduction of money marked a period of great advance in civilization. The first medium of exchange

used by man was that article that satisfied the most universal demand and need. Among the rude races of Africa, cattle were used as money, as the cow was in great demand for its hide, its milk and its flesh. Among the South Sea Islanders coconuts, yams and shells were used in turn, or together. Among the Indians of this continent wampum, or belts of beads, was the ordinary money in use. The pioneers of the United States and Canada used wampum, powder, and fire-water as a medium of exchange. In trading with the Indians. In fact, in pioneer days in Ontario, whiskey was a very common medium of exchange and was in wide use as the "money" of the day. It satisfied many of the requisites of a medium of exchange, through its portability, cognizability, homogeneity and divisibility. Besides, there was for it a universal demand. But whatever the commodity used as money in the first instance all gave way to gold and silver; so that in our day—aside from paper money—gold has become the standard money and silver its subsidiary. It may be said, in a word, that money is at one and the same time an instrument, and a sign, of civilization.

## MONEY IN MODERN BUSINESS.

While much discussion takes place concerning money in the field of modern business, it has, as a matter of fact, largely given place to credit. Just as the use of money marked an enormous advance in civilization over the period of barter, so it may be said that credit denotes a higher stage of civilization reached by mankind through struggle and stress in our day. The importance of this observation is realized when one reflects upon the emphasis placed upon money in the seventeenth and eighteenth centuries. Sir Thomas Mun, one of the acutest observers and writers upon economics in the seventeenth century, gave money a position of the highest importance in the commercial well-being of the state. His great work was called "England's Treasure from Foreign Trade"—and by "treasure" he meant merely the actual hard coin. He was the advocate, *par excellence*, of a protectionist policy for the England of his day. A reading of his quaint treatise reveals the fact that the modern protectionist has advanced but little beyond his mode of thinking. His principal argument in behalf of trade restrictions of one kind or another, was based on the supposition that wealth consists of money, gold or silver coin; and that that trade is productive which consists in the exportation of goods to foreign nations in exchange for gold. The same argument appears very often in Canada and the United States to-day, especially in connection with Chinese and other Oriental labor. It is said that these immigrants add nothing to the nation's wealth, but on the contrary rather diminish it through the exportation of, or the carrying home with them, the "money" of the country. It is not denied that sound arguments can be offered for the restriction of Oriental immigration, but certainly not on the lines so generally advanced. It is an utter confusion of thought to identify money with wealth. The Chinese laborer, whether working on railway construction, in the canneries on the Pacific Coast, or in his laundry, creates as much wealth as he receives. Indeed, the country must gain in its exchange of money for his services, else he never would have been employed.

## TRUER CONCEPTION.

Business men of our day have a juster and truer conception of the meaning of wealth than obtained in the days of Elizabeth and the Stuarts. There was some justification, however, for the identifying of money with wealth in those bygone centuries, for money was so important in national organization and in carrying on war. In fact, it was practically all the fluid capital available at that time. To-day it is realized that purchasing power may take one or other of a score of different forms, according to the use to which it is put. Wealth, in other words, is seen to consist of a supply of want-satisfying goods, or of control over them. That control is secured, for the most part, not by money, but through the use of credit.

Retailers and other business men make use of credit every day, accept it as a matter of course, and rarely pause to consider its essential nature. And, nevertheless, yet, as has been said, it is the most potent and effective instrument in the world of modern business—a delicate instrument that renders the most incalculable services to society, and

yet is inherent with equal power for working havoc and ruin. The first thing to observe in connection with credit is that it involves the payment of legal money at some future time, and that, also, it thereby involves the time element itself. It may be defined as the "coining of future goods into a present means of payment." It marks, also, the transition in the affairs of men from status to contract. How important is this change is scarcely realized. In centuries gone by, custom and tradition were the most powerful factors in regulating a man's life, as well as his business. The caste system which obtains to-day in India was found in all its essentials in the England of Queen Elizabeth. Wages were largely determined by custom, as well as the life work of the individual and the prices of goods offered for sale. There was much talk of a "just" price—a price that is, that would return to a man his capital unimpaired and wages for his labor. Even these conditions marked a period far in advance of the days of serfdom, and production to meet local need. The displacement of custom—status—by contract brought about epoch-making changes in the field of commerce and of industry. Interest-taking was legalized; and it was recognized that profits were a necessary reward for the risk run. In a word, it may be said that the relations of labor and of capital to one another, as well as to the community at large, were revolutionized; and with that change credit gradually assumed a place of larger and larger importance in the economy of the nation.

It is not necessary to emphasize the fact that confidence is essential among business men in entering into any business contract; and yet we believe that confidence in itself is not the basic fact in credit. One might be perfectly convinced of the honesty and integrity of a man and yet refuse to make him a loan, for in addition to confidence in his honesty one must be convinced that he will be able to discharge his obligation of goods, or through performing such valuable service that society is willing to pay therefor. It is for that reason that credit has been defined as the coining of future goods into a present means of payment.

## AN EXAMPLE.

An example will make this clear. A farmer, let us say, wishes to borrow \$500 to purchase seed and machinery for his spring operations. This loan may be secured from the bank upon proper security being given, by note or otherwise. In exchange for his own note the farmer will receive the notes of the bank, which are payable on demand, or an account upon its books against which he can draw a cheque. He is now in a position to buy seed and machinery to be used in his business. Underneath all these transactions one simple fact is clear—the farmer has in reality exchanged his future crop, or part of it at least, for the goods that he needs at the present time. That is, he has coined future goods into a present means of payment. The bank has aided him in this transaction; and has indeed made it possible. It assumes the risk of the crop maturing, being harvested, and brought to market; and for assuming that risk it receives payment in the shape of "interest." It will thus be seen, incidentally, that the fundamental business of banking is really that of insurance.

Now, as long as credit is of this nature, and is based upon actual productive effort, there need not be, and should not be, any lack of capital for short time loans. The bank makes no use whatever of "money" in such a transaction, except to a very small degree. It is incumbent upon it to keep a certain percentage of its demand obligation in the form of legal money in its vaults; but very little use is made of actual money itself. As has been explained the bank merely exchanges its own paper for that of its many clients; and no risk is run as long as this operation is based upon the production of goods which, at some future time, will come to market, be sold, and liquidate the loan. It is in the granting of credits not based upon actual production that the real danger emerges.

Just prior to the war Canada had passed through a period wherein much abnormal credit had been in evidence. Instead of producing goods, thousands of Canadians were engaged in speculating in real estate, in oil stocks, and in mining shares. When the banks and other financial institutions grew apprehensive, and called in their loans, it was found impossible, in many cases, for borrowers to pay without sacrificing the property held. Stocks of all kinds and real estate were thrown upon the market, and the boom collapsed. It is evident therefore that, if Canada is to make sound economic progress in the future, its efforts in the field of commerce and industry must be centered upon the actual production of goods, and not upon mere speculation.

## Public Opinion

### A POOR SOLDIER.

(Buffalo Commercial).

John Barleycorn has received notice that his absence is more to be desired than his company in Uncle Sam's fighting forces. He never made a good soldier.

### ASK THE WOMEN.

(Hamilton Herald).

Can anyone explain why at a time like this, when the price of leather is higher than it has been within the memory of man, fashion should decree that women must wear boots half way up to their knees?

### THE NURSES IN THE WAR.

(London Daily Telegraph).

The story of the nurses' part in the war constitutes a fresh page in the annals of a race which is not without its glorious memories. It was once declared that "Woman is like a reed. Which bends to every breeze. But breaks not in the tempest." This war has submitted British womanhood to the test of a storm of fury unparalleled in the history of the world. How magnificently the nurses have stood up against this blizzard of hatred, the fruit of increasing despair, the official records of the matron-in-chief of Queen Alexandra's Imperial Military Service could reveal. But the organization maintains a silence comparable with that which the navy has relentlessly imposed upon itself. Only very occasionally, and partially, is the veil lifted to reveal a little group of nameless heroines, pathetic and yet majestic figures, confronting, unmoved by personal fears, horrors calculated to make strong men blench.

### BLESSINGS OF TAXATION.

(The New York Republic).

During the twelve months ending March 31st the revenue of the British government from taxation was nearly \$2,600,000,000, almost \$1,800,000,000 more than for the last year preceding the war. This additional taxation has not affected the business of the country unfavorably. It has not proved a damper on business motives for thrift; not only so, but the taxes have proved positively advantageous. While the standard of life of no class in the community has been seriously lowered, individual consumption of comforts and luxuries has been materially reduced, thus setting free labor and capital for war purposes. Another, and even more important, advantage has also been secured through the imposition of additional taxation. The evident justice of taxing heavily those whose incomes have risen since the beginning of the war has stimulated the people generally to wholehearted exertion in every field of economic activity.

### EMERGENCY ARMY RATIONS.

(Christian Herald).

Of the emergency rations of the fighters of the world, the most ostentatious is Uncle Sam's ration of compressed maize meal with meat farina and three chocolate bars. This ration is deficient in fats, for the very good reason that, even though hermetically sealed, it would become rancid if it carried any more fat. It is not, therefore, a balanced ration; but the container holds enough actual food to keep a soldier from starving for 24 hours.

The British troops as well as the Dutch have a sausage made of ground peas highly salted, reported to have been originated by the Scotch, and which is put up in regular sausage skins. It is said to be the most sustaining emergency ration known.

The Italian butter-ball is interesting because of the perfect preservation of the unsalted butter within the dry cheese envelope. If the Chinese egg had ever been in a condition to be unwelcome, it had been thoroughly cured; the albumen was of an ebony blackness, although still soft like gelatine; and while it did not taste like the eggs we are accustomed to eat for breakfast, neither did it taste as bad as it looked. The Chinese consider these eggs a great delicacy, and Europeans are reported before now to have acquired the taste. The compressed tablets of tea make it possible for one to eat his tea, if water is not available, the Russians getting what they call a dry cup of tea by slipping a tablet of compressed tea into the mouth and allowing it to dissolve slowly. All sorts of meat and fish are dried in sheets and strips and hunks by the various armies, and the Russians even dry the spinal cord of the sturgeon, occasionally using this strange ration as a walking-stick.

These are not the foods, however, upon which armies live, but the emergency rations upon which the soldier depends when the regular rations fail.

### DIVERS TONGUES.

It is said that there are more than 3,400 languages, including dialects, in the world. Most of them belong, of course, to savage or uncivilized people, says the Book of Wonders. There are said to be more than 900 languages used in Asia, almost 600 in Europe, 275 in Africa and more than 1,600 languages and dialects which are American.

### AN UPHILL FIGHT.

(New York Times).

For 400 to 450 miles, from the rock of the Carso, past the Carnia and the strange monstrous red-stained Dolomites, past the Trentino to the Tonale Pass and Stelvio, the eternal snows of the Ortler and Adamello, everywhere Austria is ramparted by ranges, everywhere Italy has to fight uphill. Wonderfully, with surpassing skill and courage, have her troops under her great chief of staff, Cadorna, fought their difficult fight.

### WOMEN WORTHY OF VOTE.

(Exchange).

There have recently been many burials of the hatchet in connection with the woman suffrage movement in England, but it was, surely, a peculiarly picturesque ceremony which took place at Leeds when Lord Faber, once a staunch opponent of woman suffrage, announced his conversion. "I have a treasure here," he said, addressing a woman suffrage meeting, "which I regard with great interest. It is a large piece of iron which you ladies were good enough to throw through the window of my house in London. You have a hundred times repaid me for that by the good service you have since done to the State. You have won the victory; you have shown yourselves worthy of the vote."

### CANADA MUST PRODUCE MORE.

(Edmonton Journal).

The commission of conservation has issued a report giving a review of its work during the last year. In a convincing way that was never so fully possible in pre-war days, it presents the gospel of thrift and economy of natural resources, and drives home the lesson that the war has been teaching. The "polite but somewhat academic interest" that people used to show in the work of the conservationists has now changed into a real and intelligent appreciation of their aims and purposes, and the work has been so much the more a success. For with all the other lessons the war has taught, it has forced especial emphasis upon the need of husbanding the country's resources and using them in ways that will contribute most effectively to national welfare. One of the chief necessities of the future, says the commission's report, will be an increase in food production.

### CANADIAN CONSCRIPTION.

(Chicago Tribune).

War soon taught Americans to admire Canadians and Canadians to despise Americans. While we were saying, "How gallantly the Canadians have gone in!" they were saying, "How cowardly of the Americans to stay out!"

We are in, now—in up to the hilt—and it is America, not Canada, that has dared to adopt selective conscription from the outset. It has taken our example, plus attendance at the imperial conference in London, to make Premier Sir Robert Borden propose selective conscription for Canada.

It would have come, of course, without Sir Robert's assistance, for Canada has reached the end of her volunteer resources. After sending 326,000 men abroad, with 100,000 more in training at home, she finds recruiting at a standstill, although anywhere from 50,000 to 100,000 recruits are needed to repair wastage.

No doubt Canadians still feel proud of the warlike fervor that so rapidly built up that magnificent army. It was superb. But it was destined not to last. No such fervor does or can. Moreover, we doubt if it is as fine a moral product as the measured, calm, deliberative determination that appraises the situation coolly and shoulders the burden in a thoroughly businesslike style. There is nothing showy about our American adventure. There is nothing romantic. It is practical, however, and the only system bound to work and keep on working. Canada's experience proves that.

### TARTAN.

The Scottish word tartan is supposed to have been taken from the Spanish and French "tire taine"; in Spanish, this means something thin and flimsy, from "tire tar," to shiver with the cold; in French, the term "tire taine" is applied to the mingled fibres of linen and wool, which is called sometimes linsey-woolsey.

### TO END WARS.

(Christian Science Monitor).

The aim of the three great democratic allies, to whose ranks Russia may now be added, is that the present war shall end not only in a manner as decisive as any of the decisive struggles of the past, but with a scientific decisiveness which shall make the waging of war, amongst civilized nations, difficult, if not impossible, in the future.

### ON THE DEFENSIVE.

(New York Herald).

When the German military machine was stopped at the Marne it was stopped forever, so far as concerns any possible advance. Germany's armies and Austria's armies are on the defensive, and will be to the end. That there is much work, hard work, ahead is realized by all of the Allies. They are ready for it, and Italy is doing her part splendidly.

### A WORD FOR BEANS.

(Philadelphia Record).

Beans do not have to be cooked and canned for preservation. When ripe and shelled and dried they will keep perfectly for long periods and any housekeeper that knows her business, having a stock of beans on hand, will have the means for providing the family table during the whole winter and the ensuing spring with nutritious and tasty food.

### WHAT'S TO BE DONE?

(Toronto Star).

With a man the question is not how long he is to live, but what he will do with his life. Better ten years of useful life than half a century of selfish idleness. If the government wants an extension of its own life, what does it propose to do with it? If the opposition wants a new government, what does it propose the new government will do?

### COLLEGE PATRIOTISM.

(New York World).

Certainly the country has reason to be proud of its college youth. It has been somewhat captious if not contemptuous of its "rah-rah" boys in the piping time of peace. But the sight of them on the firing-line before their flag got there, and in ambulance work and aviation service, and its new acquaintance with them as ardent patriots eager to serve their country at any sacrifice of life or personal interest, must bring a better understanding of their fine Americanism.

### THE QUAIL FAD IN JAPAN.

(East and West News).

The latest fancy among the wealthy people of Japan is the collecting and breeding of rare species of quails. It threatens to rival the mania for tulip bulbs that once seized the Hollanders. Enormous prices are paid for rare birds. Mr. Yoshida, a millionaire, recently gave 17,000 yen (\$8,500) for a white quail—king of the race in beauty and price. One of the large Tokio shops has caught on the idea as a fashion novelty and is selling kimonos embroidered with white and golden-hued quail designs. The modiste had Mr. Yoshida's king quail sketched and is reproducing the splendid bird in high-priced garments.

### CULTURE VS. KNLTUR.

(Boston News Bureau).

German culture received a clear appraisal at the hands of a German in 1912, when an American association of industrial chemists made an excursion from New York to Chicago, thence to San Francisco, thence to New Orleans and so home to New York.

Included in the party were many Teuton representatives of the great German dye companies, famous German professors and technical men, some accompanied by their wives.

Aside from the manner in which the Germans sneered at every American endeavor in the line of industrial chemistry, their conduct was chiefly remarkable for the manner in which they scrambled over their honored savants for automobile seats, while the Americans deferred to them.

"I am glad you brought your wife along," remarked a German lady to an American chemist, toward the end of the trip. "You have shown my countrymen how a gentleman should treat his wife."

# AMONG THE COMPANIES

## INTERNATIONAL NICKEL CO.

Gross income of the International Nickel Co. for the year just closed was \$16,728,913, as compared with \$14,091,612 in 1916. Net profits after preferred dividends amounting to \$13,023,214, equal to \$7.78 a share on the outstanding stock (par value \$26), against \$11,213,522, equal to \$6.70 a share in the preceding year.

President Monell, in his report, refers to the property purchased at Port Colborne, Ontario. In October, 1916, active construction was commenced on a refinery at this site, the cost of which will be approximately \$5,030,000. Up to the close of the year, the actual expenditure on this construction had been \$1,046,740. Construction is proceeding at a rapid pace, considering difficulties in securing both labor and materials, and it is anticipated that the plant will be in operation by the commencement of the coming year.

## DOMINION STEEL CORPORATION.

Dominion Steel Corporation's net profits in the record-breaking year ended March 31st last represented earnings at the rate of 26.71 per cent on the corporation's \$32,097,700 common stock, according to the official figures just issued, against 9.39 per cent earned in 1915-16, previously the best year in the corporation's history.

After paying off a year's dividend arrears on the subsidiary Dominion Iron & Steel Co.'s preferred stock and making a distribution of 1 per cent on the corporation's common stock in the final quarter of the year, there remained from the year's earnings a net surplus of \$7,900,188, or equivalent to \$24.60 a share on the common stock, to be added to profit and loss balance.

That balance thus rose to \$11,937,577, and in place of carrying it all forward in that form, the directors decided to appropriate \$3,000,000 as a special reserve to provide for construction expenditures and war tax for the past year, and also another sum of \$2,899,395 to be applied as a write-off against an old balance of that amount carried in assets as discount on bonds sold. These two appropriations, taking close to six million dollars, still left the corporation with a balance at credit of profit and loss of \$6,038,182, against \$4,037,389 a year ago. The gross combined surplus of the corporation and its constituent subsidiaries stands at \$7,596,892, an increase of \$2,000,793 within the year.

In adjoining columns comparisons are given of the consolidated profit and loss figures of the corporation for each of the past five years which speak for themselves. Net earnings, after deducting all manufacturing, selling and administrative expenses, and also after provision for amortization of munitions plant and equipment and business profits tax for 1915-16 were \$12,967,874, an increase of 5,963,558, or 85 per cent over the preceding year—which was a record-breaker at the time. As compared with the best year prior to the war, 1912-13, the increase was \$8,253,817, or approximately 180 per cent.

Allowances for depreciation, sinking fund, etc., at \$3,859,595 were some \$667,000 higher than what had previously been set aside for this purpose. Interest charges for the year were down sharply to \$1,230,203, and it is noted in this connection that for the first time there was no charge for interest except bond interest.

New records, however, were made by the Steel Company. The tonnage of pig iron produced exceeds the output in any previous year; as also does the output of steel ingots. The following table gives the annual production of the principal classes of iron and steel materials in the last two years:

	Year ending 31st Mar., 1917.	Year ending 31st Mar., 1916.
Pig iron .. .. .	346,926	329,664
Steel ingots .. .. .	377,079	371,086
Bloom and billets for sale .. .	144,051	142,282
Rails .. .. .	17,495	35,197
Wire rods for sale .. .. .	67,492	55,106
Bars .. .. .	5,259	8,017
*Wire .. .. .	35,142	36,058
Nails .. .. .	20,175	19,262

\*This includes wire used in manufacture of nails shown in next line.



S. J. MOORE,  
President Pacific Burt Company.

## EASTMAN KODAK CO.

Munition companies are not the only ones which have done a big business, due to the European war. This is evident from the annual report of the Eastman Kodak Co. For year ended December 31, 1916, it reports net profits of approximately \$17,300,000, compared with \$15,750,000 in 1915.

The greater volume of Eastman Co.'s business at present consists in manufacture of moving picture films. Increasing demand from moving picture concerns is primarily responsible for the larger earnings. All the principal companies have numerous operators on the battlefields of Europe and when it is considered that three-quarters of the films sent abroad are usually wasted, some idea of the great demand for films may be gained.

## CANADIAN CAR AND FOUNDRY CO.

Net profits of the Canadian Car & Foundry Co., Ltd., as shown in the delayed report for the twelve months ended September 30th last were \$353,255—equal to 4.7 per cent on the preferred stock—against a deficit of \$558,471 in 1915, a deficit of \$65,808 in 1914 and a profit of \$1,721,653 in 1913.

The report, while not up to expectations entertained in the early part of the year under review, at least shows a decided recovery from the acute depression of 1914 and 1915, and no doubt would be materially better had it been possible to include profits from the big Russian shell contract. As to the latter the directors state that they expect to be able to make a statement at the annual general meeting of shareholders, which has been called for July 31st. "It is the opinion of your directors," adds the report, "that the results from the Russian shell contracts and the ordinary business, as evidenced by the orders now on hand, will place your company in a very satisfactory position." Orders on hand at the time the report was drawn up, May 15th, are given later on in the report as having an aggregate value of \$23,500,000.

Profit and loss figures for three years are compared below:

	1916.	1915.	1914.
Profits .. .. .	\$1,292,104	\$321,839	\$673,035
Depreciation .. .. .	350,000	325,000	278,076
Balance .. .. .	\$942,104	*\$ 3,160	\$394,958
Bond interest .. .. .	588,848	555,311	460,767
Balance .. .. .	\$353,255	*\$558,471	*\$ 65,808
Preferred dividends .. .. .	.....	.....	367,500
Balance .. .. .	\$353,255	*\$558,471	*\$433,308
Com. dividends .. .. .	.....	.....	159,000
Balance .. .. .	\$353,255	*\$558,471	*\$592,308
Previous balance .. .. .	1,073,798	1,632,269	2,224,578
Surplus .. .. .	\$1,427,054	\$1,073,798	\$1,632,269

\*Deficit.

## ALGOMA STEEL CO.

Algoma Steel Company, a subsidiary of the Lake Superior Corporation, at Sault Ste. Marie, Ont., is developing very aggressively, and a big plate mill may be one of the newest departures.

## LAURENTIDE POWER CO.

Gross income of Laurentide Power Company for the month of April was \$49,107, an increase of \$26,245. After operating and general maintenance expenses, the net was \$42,029, an increase of \$21,286. Fixed charges took \$31,250, leaving the net income for the month as \$10,779.

The figures for April follow:

	1917.	1916.
Gross inc. ....	\$49,107	\$22,862
Operating and general exp. ....	7,077	2,119
Net earnings .. .. .	\$42,029	\$20,743
Fixed charges .. .. .	31,150	.....

Net income .. .. . \$10,779 \$20,743

For the four months ending April 30, the earnings compare as follows:

	1917.	1916.
Gross inc. ....	\$212,537	\$70,784
Oper. and gen. maintenance. . .	22,506	8,141
Net earnings .. .. .	\$190,031	\$62,643
Fixed charges .. .. .	125,000	.....
Net income .. .. .	\$65,031	\$62,643

## P. LYALL & SONS CONSTRUCTION CO.

Munition plants continue to earn large profits and the P. Lyall & Sons Construction Company is no exception.

The financial statement of P. Lyall & Sons Construction Company, Limited, for the year ending March 31, were \$915,449, as compared with \$234,644 a year ago; \$625,000 of this, however, went towards the amortization of munitions plant and equipment.

The profit and loss account for the past three years compare as follows:

Earnings .. .. .	\$915,449	\$234,644	\$209,677
Amortization .. .. .	625,000	.....	.....
Balance .. .. .	\$290,449	\$234,644	\$209,677
Bond interest .. .. .	66,050	69,272	71,984
Balance .. .. .	\$244,399	\$165,372	\$137,693
Sinking funds .. .. .	44,500	42,000	40,000
Balance .. .. .	\$179,899	\$123,372	\$ 97,693
Preferred dividends .. .. .	91,000	91,000	91,000
Surplus .. .. .	\$ 88,899	\$ 32,372	\$ 6,693
Previous surplus .. .. .	115,202	82,830	76,137
Surplus .. .. .	\$204,102	\$115,202	\$ 82,830

In 1915-16 the company showed machinery and buildings in the special account representing munitions work at \$376,194. This rose to \$1,444,286 last year, but the writing off of \$625,000 brings the valuation down to \$819,286.

The directors note in this connection that "inasmuch as the munitions work, upon which the larger portion of their efforts are engaged is outside the regular line of your company's operations, a conservative valuation should be placed on this special plant and equipment. The utilization of this plant after the war is having your directors' most earnest consideration."

The report refers to war contracts, and says "difficulties owing to the changed requirements of the Imperial authorities, which all shell makers suffered from, caused several months' non-remunerative operations and delayed the output of the plant, reasonable capacity only having been reached in the month of December last, when these difficulties were surmounted; the April output being the best yet attained."

As to the company's normal activities, it is reported that there is a large amount of building contracts on hand, "all of which are on a cost plus commission basis, and satisfactory progress is being made on all this work."

The balance sheet shows total assets of \$6,070,446, against \$5,461,760 in the previous statement.

The item of cash was \$77,989, which corresponds with \$1,522 a year ago. Profit and loss account stands at \$204,102, against \$115,202 a year ago.

# AMONG THE COMPANIES

## UNITED PAPER BOARD CO.

It is estimated United Paper Board Co. net for 1917 will be about \$2,000,000, or \$20 a share for the common.

United Paper Board Co. is result of drastic re-organization of United Box Board Co., capitalization being cut to about one-third. United Box Board had outstanding about \$29,000,000 stock and \$5,000,000 bonds.

United Paper Board has \$399,000 bonds; of its 6% non-cumulative preferred stock \$1,731,000 is outstanding; of \$2,500,000 authorized, and of \$12,000,000 common stock authorized \$9,186,400 is outstanding. Probably by the end of this year bonded debt will have been wiped out.

## PACIFIC BURT CO.

The Pacific Burt Company, Ltd., one of a group of enterprises the annual statements of which have reflected general business prosperity and exceptional administration, has just issued its balance sheet for the twelve months ending March 31st last. Early in 1916 the company changed its accounting period and its previous statement was for 15 months, ending March 31 of that year. In that exhibit net profits of \$86,009 were shown. The business of the company increased to such an extent that the profits for the year ending March 31 this year were \$108,882, being \$22,000 in excess of the 15-month period preceding and \$37,582 greater than those of the preceding twelve months.

After payment of dividends on the preference stock of \$45,000, this company showed earnings at the rate of 9.73 per cent on the common stock, but \$15,000 was transferred to the real estate and plant reserve and after this deduction earnings on the common were 7.44 per cent.

Pacific Burt has been paying 2 per cent on the common, and President S. J. Moore states that although profits would seem to justify an increase in the rate on the common, the directors purpose making no change for the present because of the larger amount of working capital demanded by the increased cost of materials and labor. The present rate of dividend, he intimates, will be continued until conditions become more nearly normal.

## MAPLE LEAF MILLING COMPANY.

Net earnings of the Maple Leaf Milling Company, Limited, for the year ending March 31, amounted to \$738,000, compared with \$530,000 in 1916, and \$1,048,997 in 1915. As the company has no bond or mortgage interest to meet these large earnings went to the creation of a depreciation reserve of \$250,000, an increase in the contingent account of \$122,000 to \$361,000, and after paying \$159,573 bank interest and \$175,000 dividends on preferred stock, earnings on the common were left at 16 per cent, compared with 10 per cent last year and 28 per cent in 1915.

In his address to the shareholders, Hedley Shaw, vice-president and managing director, states that the favorable results of the year have been largely due to the unique position of the mill at Port Colborne, through which the company has been able to undertake contracts for full ocean cargoes of flour for delivery at the Atlantic seaboard for the British Government and her Allies.

"We were constantly urged by the representatives of the Allied Government to do everything in our power to maintain our output to the maximum, so that they could rely upon us for large supplies. We are installing the necessary machinery this summer at Port Colborne, to be completed in time for the grinding of the new crop, so as to increase our capacity to 12,000 barrels per day of twenty-four hours at the mill.

"Our western mills suffered very severely at times owing to the railway embargoes, and their inability to handle traffic, yet, our output from the west shows an increase as compared with the previous year."

## RAILWAY EARNINGS.

The gross railway earnings of Canada's three principal railways for the first four months of the year are as follows:

	1917.	1916.	1915.
C. P. R. . . . .	\$42,501,000	\$37,702,000	\$27,275,000
C. N. R. . . . .	11,390,400	9,607,300	6,889,900
G. T. R. . . . .	19,417,840	17,514,879	14,766,831
	<b>\$73,309,240</b>	<b>\$64,824,179</b>	<b>\$48,931,731</b>



JAMES R. GORDON,  
President Canadian Converters Company.

## CANADIAN CONVERTERS, LTD.

In their financial statement for the year ending April 30th, 1917, the Canadian Converters, Ltd., make by far the best showing the company has made in its eleven years of existence. Net profits of the subsidiaries at \$204,004 exceeded the high record established in 1915-16 by \$63,781, an increase of 46 per cent.

After bond interest, an increased allowance for depreciation reserve and an increased allowance for bad debts (in which is lumped the war tax for the year) there was a surplus balance of \$139,413, against \$89,162 a year ago, an increase of \$50,251, or 57 per cent. Earnings which had been at the rate of 5.2 per cent on the capital stock in 1915-16 rose to 8 per cent.

The resumption of dividends just before the close of the fiscal year called for a payment of 1 per cent to shareholders, or \$17,335 and when this had been charged off a balance of \$122,078 remained to be added to profit and loss balance. That account now stands at \$297,207.

The rapid recovery in the company's earning power from the early depression of the war period is shown in the following comparisons of profit and loss figures for three years:

	1916-17.	1915-16.	1914-15.
Profits . . . . .	\$204,004	\$140,223	\$41,628
Bond interest . . . . .	23,940	23,940	24,465
Balance . . . . .	\$180,064	\$116,283	\$17,163
Depreciation . . . . .	27,000	17,500	7,500
Balance . . . . .	\$153,064	\$98,783	\$9,663
Bad debts, etc. . . . .	13,651	9,621	36,092
Balance . . . . .	\$139,413	\$89,162	\$26,429
Dividend . . . . .	17,335	.....	52,005
Balance . . . . .	\$122,078	\$89,162	\$78,434
Previous balance . . . . .	\$175,128	\$85,966	\$164,400
Total balance . . . . .	\$297,207	\$175,128	\$85,966

\*Deficit.

## ILLINOIS TRACTION CO.

Illinois Traction Co. reports gross earnings of \$1,051,751 for the month of April, an increase of \$103,135. After deducting total operating expenses and taxes, the net was \$383,184, compared with \$358,335 for the corresponding month last year, an increase of \$24,849.

The earnings for four months ending April 30 compare as follows:

Total gross . . . . .	\$4,333,863	\$3,971,144
P.C. of inc over prev. year . . . . .	9.13	10.79
Expenses . . . . .	2,535,013	2,265,821
Taxes . . . . .	163,397	147,519
Total op. exp. and taxes . . . . .	2,698,410	2,413,340
Net over exp. and taxes . . . . .	1,635,452	1,557,804
P. C. of inc. over previous year . . . . .	4.98	10.93

## TWIN CITY COMPANY.

Twin City Rapid Transit reports gross earnings of \$839,072 for the month of April, an increase of \$22,891. After operating expenses, fixed charges and taxes, the net income was \$159,223, a decrease of \$9,956. Net

## WILLIAM STONE ON BOARD OF MANUFACTURERS' LIFE.

By the election of Mr. William Stone, president of Stone, Limited, one of Canada's largest lithographing establishments, to the board of the Manufacturers' Life Insurance Company, one of the two vacancies caused by the deaths of Mr. R. L. Paterson and Mr. G. P. Scholfield, was filled.

Mr. Stone is a director of the Bank of Toronto and an ex-president of the National Club.

## BANKERS MEET AT OTTAWA.

The Canadian bankers who met at Ottawa on May 31st did nothing of public interest, beyond electing the panel of auditors for the current year. The Minister of Finance had a conference with the members of the association during the day, but further government financing was not discussed.

Mr. John Aird, general manager of the Canadian Bank of Commerce, was elected a vice-president of the Association.

In banking circles it is not considered likely that any new credit arrangements in connection with war business will be discussed for a month or so, at least.

## BRAZIL EARNINGS IMPROVE.

The April earnings of the Brazilian Traction Light & Power Company came just under the high level of the previous month. Net earnings were again well in excess of 4,000,000 milreis and this level has only been reached four times since the company began reporting its earnings in native currency.

With the exception of March the net was the largest in the history of the company, being 4,053,000 milreis. The increase over the same month last year was 213,000 milreis and the net was about 100,000 milreis less than in March. Operating expense, however, absorbed most of the increased gross revenue. This item was 3,400,000 milreis, an increase of 358,000 milreis for the month. For the first four months of the year the increase in net earnings is 1,108,000 milreis.

## HYDRO-ELECTRIC BUYS CANADIAN COMPANY'S RIGHTS.

Sir Adam Beck announced on Thursday, that the Ontario Power Company had handed over their assets to Hydro-electric Power Commission for \$22,669,000, on the following terms:

The company agrees to deliver all its Canadian properties, along with all its physical assets and contracts for the delivery of power, in return for which the commission agrees to pay in its own debentures to the extent of \$8,000,000 for the \$10,000,000 of stock now held by the company, and to assume the bond liability of \$14,669,000 secured by a first mortgage on the property. The company is to receive the current assets and to assume the current liabilities.

The Hydro-Electric Commission will take possession of the property on the first of August. The municipalities will get their power at nine dollars per horse power, and even selling power at that low figure it is estimated the plant would pay for itself in twenty-five years.

There is now invested in Hydro property in Ontario practically seventy million dollars, including money put in by the municipalities.

Estimates made by the Hydro Commission's technical advisers, headed by Mr. Fred Gaby, chief engineer of the commission, show that the estimated revenue per annum from the sale of power is \$2,396,277; the operating expenses, rentals, taxes, etc., will be \$804,718; the fixed charges, interest on bonds, sinking fund, etc., will be \$990,550; the total operating expenses \$1,795,268; leaving a balance of \$601,009 for the year. From that will have to be deducted interest and sinking fund on the \$8,000,000 worth of Hydro bonds, which will amount to \$400,000, leaving a balance for depreciation of \$201,000.

# BANK OF MONTREAL

Established 100 Years (1817-1917)

Capital Paid Up	- - - - -	\$ 16,000,000.00
Rest	- - - - -	16,000,000.00
Undivided Profits	- - - - -	1,557,034.00
Total Assets	- - - - -	386,806,887.00

## BOARD OF DIRECTORS:

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

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

## Head Office, MONTREAL

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

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

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

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

A GENERAL BANKING BUSINESS TRANSACTED

## Bullion Handled in Ottawa Since War Began

Largest and Most Modern Gold Refinery at the Branch of the Royal Mint One Development of the Struggle. Stupendous Figures Given by Finance Minister.

Some prodigious figures were presented to Parliament by Sir Thos. White last Tuesday night as to the amount of gold that had been handled by the Finance Department since the war began, and the immense amount of other work that had been done.

With regard to specie alone Sir Thomas said that the amount of gold in coin and bars handled by the finance department since the war was twice the total amount of gold that there was in England when the war began, and this vast supply had come to Canada from Great Britain, from Asia, Russia, Africa and other countries, via Halifax and Vancouver. The handling of this enormous amount of specie, said Sir Thomas, involved an immense amount of work, since it had to be weighed to the thousandth part of an ounce, and much of the foreign gold had to be refined at the mint, which now had the largest and most modern gold refinery in the world.

### SHIPMENTS IN WARSHIPS.

This statement was made by the minister of finance in response to criticisms leveled by Hon. Dr. Pugsley regarding salaries paid in the finance department. Sir Thomas sketched the difficulties encountered by the finance department owing to the dangers of shipping large quantities of gold by sea. To overcome these difficulties exchange arrangements had been made which had resulted in the shipping of over a hundred millions sterling to the vaults at Ottawa. Much of this gold came in bars, the rest in coin, and great care had to be taken in handling and shipping it.

The bullion shipments, said Sir Thomas had been made in British warships, coming to Halifax or Vancouver, where they were met by officials of his department and taken to Ottawa.

Since the beginning of the war, said Sir Thomas, the Canadian Finance Department had handled for the Imperial government and the Bank of England no less than \$1,000,000,000 in bullion.

### INCREASED MINT CAPACITY.

In addition to this the mint had been increased in capacity to refine gold coming from South Africa and Russia, until to-day it had the greatest capacity of any gold refinery in the world, capable of treating 200,000 ounces, or \$5,000,000 a week under the chlorine process. In all, declared Sir Thomas, the amount of treasure received at Ottawa since the war amounted to twice the amount of gold held in the United Kingdom at the outbreak of the war, and much of this gold had to be treated here and re-shipped to New York.

In addition to this, Sir Thomas pointed out the vast amount of work involved in his department with the three domestic war loans, subscriptions for which had been received at 3,500 chartered bank branches.

## CANADIANS SUBSCRIBERS TO LIBERTY LOAN.

Among the leading Canadians subscribing to the United States Liberty Loan are the Canadian Pacific Railway Company and the Bank of Montreal. Lord Shaughnessy, president of the Canadian Pacific Railway telegraphed:

"Have been glad to subscribe to the Liberty Loan as a mark of friendly feeling and appreciation of the position of the United States. The Canadian Pacific Railway enjoys important business relations with the United States, and is very glad to participate in the loan."

Sir Frederick Williams-Taylor, general manager of the Bank of Montreal, telegraphed:

"The subscription of the Bank of Montreal of \$1,000,000 to the Liberty Loan, means that Canada and the United States, side by side, face a common enemy. It is therefore fitting that the premier bank of the Dominion contribute to the success of the Liberty Loan which is the first great blow struck by the United States in the great war. I do not hesitate to say that there is no better security in the universe than the Liberty Loan."

President Wilson has joined the ranks of participants in the Liberty Loan by subscribing for a \$10,000 bond.

Writing to Secretary McAdoo, the President said: "May I send you personally my subscription to the Liberty Loan, which I make with great satisfaction and with the wish that it might be a great deal larger."

Senator George Gordon, North Bay, and M. J. O'Brien, Renfrew, succeeded to two vacancies on the Bank of Ottawa board.

## BANK OF ENGLAND STATEMENT.

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

Total reserve	.. . . .	dec. £ 295,000
Circulation	.. . . .	inc. 319,000
Bullion	.. . . .	inc. 23,806
Other securities	.. . . .	dec. 1,555,000
Public deposits	.. . . .	inc. 10,319,000
Other deposits	.. . . .	dec. 12,123,000
Note reserve	.. . . .	dec. 317,000
Government securities	.. . . .	inc. 36,000

The proportion of the bank's reserve liability this week is 19.51 per cent.; last week it was 19.49 per cent.

## BANK OF MONTREAL.

The Bank of Montreal will open a branch at Camp Borden, Ontario, for the convenience of the troops on May 28, with J. Morris in charge with the title of sub-agent.

## WHAT IT COSTS.

\$26,571 Spent in Advertising to the End of March.

Returns tabled in the House of Commons on May 31, show that up to the end of March last the total amount spent in advertising for recruits was \$26,571. Of this amount, \$18,566 was spent in Ontario, \$3,996 in Quebec, \$1,178 in Nova Scotia, \$1,235 in New Brunswick, \$999 in Prince Edward Island, \$322 in Alberta, \$244 in British Columbia, \$21 in Manitoba, and only \$6 in Saskatchewan.

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

ESTABLISHED 1875

## Imperial Bank of Canada

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

Reserve Fund - - - - \$7,000,000

PELEG HOWLAND,  
President

E. HAY,  
General Manager

HEAD OFFICE: TORONTO

Careful attention to Current accounts and efficient service in the making of collections are assured to Merchants and Manufacturers.

128 Branches in Dominion of Canada.

**APRIL BANK CLEARINGS.**

**Return of the Chartered Banks of the Dominion of Canada.**

The April statement of the Canadian chartered banks shows the largest totals for the year. The April returns are important because they prove that the resources of the banks were adequate to meet the abnormal movement made by the crop situation. In the month of April demand deposits increased \$23,000,000, call loans in Canada \$6,258,000, current loans in Canada \$37,000,000, and current

loans outside \$2,507,000. In April the banks, while increasing their loans to Canadian security markets, kept American balances of this character at the level of previous months.

Canadian call loans are practically unchanged from a year ago, but there is, however, a considerable balance held in this form abroad. Savings deposits decreased by \$13,000,000 in April, which compares with a gain of \$10,000,000 in April of 1916. There is, however, an increase reported of \$126,000,000 for the year.

The following table shows the principal items of the April bank statement:

	April 30, 1917.	Changes Dur. April, 1917.	Changes Dur. Year Ending April, 1917.	Changes Dur. April, 1916.
Note circulation	\$ 145,550,619	-\$ 2,714,521	+\$ 26,317,289	+\$ 4,428,726
Reserve fund	113,485,903	+ 114,045	+ 362,970	+ 100,000
Demand deposits	471,312,285	+ 23,160,757	+ 69,251,330	+ 13,894,567
Notice deposits	874,948,724	- 13,816,974	+ 126,588,767	+ 10,190,745
Total deposits in Canada	1,346,261,009	+ 9,343,783	+ 195,840,097	+ 23,085,312
Deposits elsewhere	183,022,686	+ 12,769,324	- 9,018,905	+ 71,362,632
Current cofn	74,390,447	+ 2,255,016	+ 8,053,888	- 36,347
Dominion notes	132,804,036	- 4,597,541	- 14,675,785	- 3,723,672
Deposits central gold res.	41,150,000	+ 5,950,000	+ 26,740,000	+ 2,400,000
Call loans in Canada	82,737,417	+ 6,258,709	+ 209,969	+ 779,936
Call loans outside	159,156,054	- 2,460,681	+ 12,009,611	+ 5,256,454
Current loans in Canada	880,523,897	+ 37,469,431	+ 102,759,215	+ 7,625,156
Current loans outside	86,058,230	+ 2,507,004	+ 29,049,255	+ 4,303,138
Total liabilities	1,863,043,067	+ 84,148,926	+ 279,119,483	+ 121,097,968
Total assets	2,108,486,350	+ 82,568,169	+ 283,104,708	+ 119,544,650

**MAY BANK CLEARINGS.**

The Canadian Bank clearings for May show big increases particularly so in the West. The nine eastern cities given an aggregate of \$774,893,970, an increase of \$130,080,282. Eleven western cities report a total of \$396,325,851, an increase of \$144,011,275. Moose Jaw's figures, as reported from Winnipeg recently, show the only decrease, and this may be due to an error in transmission. Returns, with the increases as compared with May a year ago, follow:

	1917.	1916.
Montreal	\$331,895,064	\$333,428,627
Toronto	284,304,551	230,467,743
Winnipeg	286,596,748	169,187,263
Hamilton	22,195,355	16,819,597
Ottawa	26,152,598	22,384,431
Quebec	19,711,061	17,155,384
Halifax	13,931,665	10,365,346
London	9,968,629	9,139,424
Brantford	3,368,911	2,806,081
Sherbrooke	3,356,029	.....
Peterboro	2,867,036	2,247,055
Fort William	2,747,505	2,213,935
Edmonton	11,566,059	9,274,539
Regina	12,905,464	8,413,335
Victoria	7,015,602	7,655,410
Saskatoon	7,584,121	4,842,634
Moose Jaw	1,109,103	3,730,978
Brandon	2,193,090	2,071,287
New Westminster	1,458,012	1,259,234

**AFTER-THE-WAR TRADE.**

**Senator Nicholls Moves for a Committee.**

Senator Frederic Nicholls gave notice of a resolution declaring that "considering that after the war, trade and commerce will be for a time disorganized and that new conditions will have to be met, and considering that in addition to conserving our present trade in natural and manufactured products, efforts must be made to increase Canada's trade in foreign markets, having particular reference to the markets of those countries with which we are presently allied, be it resolved, that, in the opinion of the Senate, it is expedient to appoint a committee to enquire into and report upon the best method or methods of conserving and increasing our domestic and overseas trade to the end that our present prosperity may not unduly suffer when the stimulus resulting from orders for munitions and other war supplies is removed."

**EXCHEQUER OF UNITED KINGDOM.**

Last week's British revenue amounted to £6,249,000, bringing up the total receipts to £73,345,000. The expenditures were £41,445,000 and the total including advances to Allies, etc., was £70,914,000. The Exchequer balance was £24,796,000, an increase of £2,431,000. Treasury bills outstanding amount to £552,098,000.

**BANK HELD LIABLE.**

Mr. Justice Weir rendered judgment in the Superior Court recently in a case of special importance to banking institutions, and one in which is shown the liability of a bank, under the Bills of Exchange Act, to satisfy itself as to the authority of an agent to place a signature by procuration on a cheque before cashing the same on the agent's endorsement.

In the present instance Thomas Ouimet paid by cheques his year's ice bill, amounting to over \$900, to the order of the Swift Canadian Company, Limited, whose head offices are at Chicago. The company's agent, who had no authority to receive cash or cheques on behalf of his principals, endorsed the cheques in this case, but failed to account for the same to his employers. The latter sued Ouimet for the account. He proved having drawn the cheques in favor of the company, and that the same had been discounted at the bank, and in the result the bank that accepted the agent's unauthorized endorsements is now condemned to refund the full amount of the Swift Company's account.

**CENSUS OF ALBERTA 1916.**

Ottawa, May 28th.

The Census and Statistics Office issued a final statement to-day of the population of Alberta, as shown by the census of June 1st, 1916. The total population, including unorganized parts, is placed at 496,525, as compared with 374,663 in 1911.

The province had 6 cities, 49 towns, and 94 villages in 1916, as against 6 cities, 47 towns and 45 villages five years previously. (Strathcona, which appeared as a separate city in 1911, is now a part (Edmonton South, 12,420) of Edmonton city. Red Deer city was reported as a town in the previous census). In 1916 the population of cities totaled 133,319; of towns, 36,541; of villages, 18,889, while in 1911 the cities had a population of 92,370, the towns of 34,224, and the villages of 9,873.

London Servant: If you please, ma'am, an official from the Government Condiment Economy Board to inspect the cruets!

**THE Molsons Bank**

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

Head Office - Montreal

Besides its 98 Branches in Canada, the Molsons Bank has agencies or representatives in almost all the large cities in the different countries of the World, offering its clients every facility for promptly transacting business in every quarter of the Globe.

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. Princes Street, E. C. NEW YORK 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 STANDARD BANK**

OF CANADA  
HEAD OFFICE - TORONTO

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

**MONTREAL BRANCH**

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

## 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 . . . . . \$4,866,666.66  
RESERVE FUND . . . . . \$3,017,333.33

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

Advisory Committee in Montreal:  
SIR HERBERT B. AMES, M.P.  
W. R. MILLER, Esq. W. R. MACINNES, Esq.

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

Agents for the Colonial Bank, West Indies.

Drafts, Money Orders, Circular Letters of Credit and Travellers' Cheques issued negotiable in all parts of the world.

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

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.

# Industrial Effects of the War

## An American Bank's View of the Situation as it Affects Great Britain

The monthly news letter published by the Corn Exchange National Bank of Philadelphia presents an interesting summary of conditions in Great Britain after the war. Some extracts from the article are given here.

Naturally, there is a vast difference between the status of a neutral and that of a participant. A nation at war must not only raise funds to prosecute the war, but it must raise men also. The greater the demand for soldiers the more complex become the problems of labor and the food supply. We can, perhaps, get no better parallel than by a survey of conditions in the United Kingdom.

In July, 1914, the number of female employees in all lines except domestic service, as reported to the London Board of Trade, was 3,272,000. In January, 1917, the number increased to 4,344,000, showing a gain of 32.8 per cent., and all but one-eighth of one per cent of the increase represented a replacement of positions formerly filled by men. Obviously this served to only partially fill the ranks of labor depleted by the enlistment of four to five million men.

The speeding up of production to the point where labor entered a strong protest furnished an additional offset to the labor shortage. But that was not sufficient.

Two years after the war began Great Britain was compelled, in order to conserve and strengthen her economic forces, to divide all her important occupations into two groups, viz: "Trades and occupations of primary importance" and "Restricted operations."

In the first group are included those branches of industry essential to the prosecution of the war. In all these industries no recruiting is allowed. All occupations listed in this group are exempt from war draft.

In the other group are those industries which are of secondary importance in their relation to the war. In these industries severe limitations are placed upon the employment of able-bodied males, and women are encouraged to fill the places of men called to the army.

Thus we have, in respect to labor, a radical departure from the organization of peace times. The iron hand of war autocracy mobilizes and controls the industrial forces of the nation and adjusts conditions to war requirements. Luxuries and so-called non-essentials are a secondary consideration. The plan seems to fit in well with a campaign for the elimination of waste.

Another evidence of the iron hand is the regulation of imports and exports, including, of course, a large list of prohibited exports to neutral countries adjacent to the Central Powers.

From the War Department issues a continuous stream of proclamations, orders in council and official regulations pertaining to commerce.

It is unnecessary to enumerate the lengthy list of items and industries affected. It is constantly changing.

The War Department is a great clearing house of information upon which appropriate action is taken to promote and safeguard the economic strength of the nation.

The Ministry of Munitions has plenary powers over those branches of industry having to do with munitions. The Army Council has equal power in respect to the manufacture and distribution of army needs. Then there is the Controller of Coal Mines, the Director of Timber Supplies, Ministry of Shipping, of Labor, etc. These unusual powers are authorized by the act known as the "Defense of the Realm Regulations."

### FOOD CONTROL.

But the effect on industry does not end there. The matter of food control has also a close relationship to business conditions. The law states that any factory, or workshop, or premises in which food is manufactured, or produced, or adapted for sale, shall pass into the possession of the Food Controller.

The London "Times" of April 20 prints a bakers and pastry order banning the making of muffins, crumpets and tea cakes and limiting the amount of wheaten flour and sugar in the baking of others.

The Food Controller has issued orders respecting conditions of sale, food hoarding, public meals, sugar restrictions, liquor regulations, prices of seed pota-

toes, fish, flour, bread and other staples. Industry is appreciably affected by these regulations. They are an artificial element injected into the industrial body which affects the natural law of supply and demand.

### RETAIL PRICES.

	United States.	Canada.	United Kingdom.
	25 foods.	29 foods.	31 foods.
July, 1914 . . . . .	150	742	100
July, 1915 . . . . .	150	780	132
July, 1916 . . . . .	170	845	161
March, 1917 . . . . .	250	1,070	192
Increase p.c. over 1914.	66.6	44.2	92
May, 1917, prices in U. S. increased to 280.			

### WHOLESALE PRICES.

	200	271	44
Number of commodities.			
July, 1914 . . . . .	119.7	134.6	116.6
July, 1915 . . . . .	124.9	150.2	149.1
July, 1916 . . . . .	145.1	178.8	191.1
Feb., 1917 . . . . .	176.2	217.3	230.5
Inc. p.c. over 1914.	48	62	90
Av. inc. foods and com.	57	62	91

It will be seen that the increase in both foodstuffs and commodities in the United Kingdom has been half again as much as the increase in the United States and Canada. But from January to May of this year the price of twenty-five food articles in the United States has shown a rise equaling the rise for the previous two and a half years.

### INDUSTRY IN GREAT BRITAIN.

The "Journal" of the Royal Statistical Society reported that most of the essential trades would have been able to employ more labor if obtainable.

Labor conditions, as reported by the London Board of Trade in April showed the mean average of unemployed for the period 1907 to 1916 was around 4 per cent. In the first three months of 1916 there was about one-half of one per cent unemployed, and the first three months of 1917 there was only one-third of one per cent. In the iron and steel trade the number of workers in March, 1917, was 7 per cent more than the year previous, whereas in textile and other trades not classed as war essentials, the number of workers fell off 6½ per cent. This clearly indicates industrial readjustment. This is further confirmed by the Board of Trade reports, showing that while the total volume of business was away above normal, conditions in certain lines were only fairly good, such as in the silk and carpet trade, certain branches of the lace trade and only fair in such lines as tailoring, shirts and collars, costumes, blouses, felt hats, furnishing goods, tile and sanitary ware, and bad in silk hats.

### WORKERS ENGAGED, COMPARED WITH MARCH, 1916.

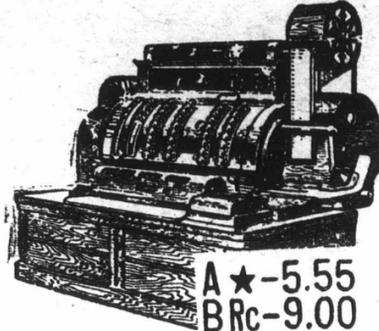
Coal and iron mining, about the same.  
Iron and steel, plus 7.1.  
Textiles, minus 5.3.  
Miscellaneous, minus 6.5.

### ALGONQUIN PARK.

The Algonquin Provincial Park of Ontario is a region of expansive lakes abounding with the gamest of fish, of hurrying streams, primeval forests of pine, spruce and fir, where almost every species of Canadian fauna roams in freedom; cool winds; ideal camping spots and sylvan retreats — everything, in fact, that is dear to the heart of the lover of outdoor life. 2,000 ft. above sea level, 285 miles west of Montreal, 170 miles west of Ottawa and 200 miles north of Toronto. This unspoiled tract of 2,500,000 acres is one of the most attractive playgrounds of Canada. Unlimited attractive canoe routes, splendid fishing, purest of air and great opportunities for the kodak operator. For those who desire city comforts in the wilderness there are hotels and Log Cabin Camps.

Further particulars and illustrated descriptive matter sent free on application to M. O. Dufee, 122 St. James Street, Montreal, Que.

# Information and Protection



A★	-5.55	-0125
B Rc	-9.00	-0126
D★	-6.68	-0127
E Pd	-2.00	-0128
A Ch	-8.65	-0129
B Rc	-4.50	-0130
A Pd	-0.50	-0131
E★	-2.43	-0132
B Ch	-3.50	-0133
D★	-5.48	-0134
A Pd	-1.00	-0135
B★	-0.43	-0136
E Ch	10.50	-0137

THE N.C.R. DETAIL STRIP gives you as a merchant a definite control of your business.

It gives you information you can get in no other way. It gives it easily, quickly, unerringly.

Every transaction which takes place in your store is recorded on the detail strip. This record is complete covering every detail of every transaction. It is as safe as though locked up in your safe.

It records the amount, date and consecutive number of each transaction.

It tells you which clerk makes each sale and which clerk makes most sales.

It gives you a mechanically perfect record of all these details.

At the same time it protects your clerks against temptation. It stops mistakes. It saves loss of money you could not otherwise save. The result is a complete mechanical record, available at any hour of the day, of every detail of the day's business. The store is protected, so are the clerks, so are the customers. The information obtained gives absolute protection to all. It gives you time to attend to duties more profitable than bookkeeping. Inside the register you will have all the totals faultlessly added. It is of the greatest importance that you investigate our system. National Cash Registers will save time, money, and build your business.

### Section of Detail Strip

Line 1 indicates that clerk A. sold goods for cash to the amount of \$5.55—transaction No. 125.

Line 2 shows that clerk B. received \$9.00 on account—transaction No. 126.

Line 3 tells you that Clerk D. made a cash sale amounting to \$6.68—transaction No. 127.

Line 4 indicates that clerk E. paid out \$2.00—transaction No. 128.

WRITE YOUR NEAREST N.C.R. AGENT TO-DAY.

Offices at Halifax, St. John, Quebec, Montreal, Ottawa, Hamilton, London, Toronto, Winnipeg, Regina, Saskatoon, Calgary, Edmonton, Vancouver.

## The National Cash Register Company of Canada, Limited

Christie Street

Toronto, Ontario

# THE EXPORTER'S FIELD

## Record Foreign Trade

Canada's Foreign Trade for Twelve Months Ended April, Over Two Billion.

The aggregate trade of Canada for the 12 months ending April last, exclusive of coin and bullion, amounted to over \$2,000,000,000, an increase of 47.9 per cent over corresponding period ending April last year, and of 124.9 per cent over the same period in 1915. This record foreign trade during the past year is standing evidence of the abnormal times through which we are now passing. While increased prices for all kinds of commodities accounts for some part of the increases in the value of our foreign trade, the tremendous demand for everything produced in Canada has stimulated production to a very high pitch.

The accompanying table prepared by the Trade Statistics Branch of the Department of Trade and Commerce, Ottawa, shows the record of our foreign trade for comparative periods ending with the month of April during the past three years. The balance of trade between imports of merchandise and total exports of Canadian products was in Canada's favor during the 1917 period to the extent of \$279,438,309, compared with a favorable balance during the 1916 period amounting to \$238,471,233, and with an adverse balance during the 1915 period amounting to \$26,467,544. Some notable features of trade during the month of April, and the twelve months, ending April last, was the tremendous increase in the importation

of merchandise, and in the value of exports of manufactured products. The accompanying figures are only a preliminary statement, and therefore no accurate index is given as to those products on which the increase in the value of imports was shown. It is a known fact, however, that Canadian stocks of imported goods had been greatly reduced. With the end of the war not yet in sight, and the country prosperous from the huge orders filled for exportation, merchants bought heavily last fall. This was pretty general over all lines of merchantable commodities, and with the increase in prices, accounts for the tremendous increase shown in the value of our imports of merchandise.

The principal increases in exports over last year are to be found in those of manufactured products, and of agricultural products. Exports of manufactured products during the 12 months ending April, 1917, show an increase of 98.8 per cent over the period last year. Exports of agricultural products during the 1917 period show an increase of 38 per cent over the corresponding period last year. Increases are also shown in the value of exports of the products of the mine, the fisheries, the forest, and of animal products amounting to 28.3 per cent, 13.8 per cent, 3.8 per cent and 23 per cent respectively.

The following is the preliminary statement issued last week by the Department of Trade and Commerce:

	Month of April			Twelve months ending April		
	1915.	1916.	1917.	1915.	1916.	1917.
<b>Imports for Consumption.</b>	\$	\$	\$	\$	\$	\$
Tariffable goods . . . . .	16,615,321	28,929,084	44,786,638	272,387,490	301,646,492	477,565,760
Free goods . . . . .	11,776,319	21,218,746	42,021,171	174,437,808	227,893,059	404,425,122
Total imports (mdse.) . . . . .	28,391,640	50,147,830	86,807,809	446,825,298	529,539,551	881,990,882
*Coin and bullion . . . . .	572,116	464,789	502,362	132,231,434	34,153,875	28,118,693
Total imports . . . . .	28,963,756	50,612,619	87,310,171	579,056,732	563,692,426	910,109,575
Duty collected . . . . .	5,986,662	9,797,265	13,875,485	78,711,880	107,740,029	151,701,450
<b>Exports.</b>						
<b>Canadian Produce—</b>						
The mine . . . . .	2,795,002	3,690,744	3,889,510	51,854,627	67,485,502	85,815,673
The fisheries . . . . .	710,447	829,515	648,336	19,866,383	22,497,045	24,708,074
The forest . . . . .	1,929,440	2,287,939	2,461,312	42,705,384	51,629,899	56,080,582
Animal produce . . . . .	3,312,498	5,122,105	5,514,691	75,842,575	104,681,883	128,198,054
Agricultural products . . . . .	6,618,443	31,305,977	11,443,161	134,869,582	264,348,728	363,550,885
Manufactures . . . . .	13,221,658	21,573,078	40,859,646	94,165,960	250,386,418	496,686,214
Miscellaneous . . . . .	104,401	292,677	328,793	753,143	6,981,208	6,389,670
Total Canadian produce . . . . .	28,691,889	55,092,035	65,145,449	420,357,654	768,010,784	1,161,429,182
Foreign produce . . . . .	2,584,685	809,061	1,795,814	53,946,168	35,913,808	28,822,085
Total exports (mdse.) . . . . .	31,276,574	55,901,096	66,941,263	474,303,822	803,924,592	1,190,251,267
*Coin and bullion . . . . .	4,980,701	71,619	68,601	33,104,463	98,663,350	196,544,030
Total exports . . . . .	36,257,275	55,972,715	67,009,864	507,408,285	902,587,942	1,386,795,297
<b>Aggregate Trade.</b>						
Merchandise . . . . .	59,668,214	106,048,926	153,749,072	921,129,120	1,333,464,143	2,072,242,149
Coin and bullion . . . . .	5,552,817	536,408	570,963	165,335,897	132,816,225	224,662,723
Total trade . . . . .	65,221,031	106,585,334	154,320,035	1,086,465,017	1,466,280,368	2,296,904,872

\*Note. It will be noted that the figures relating to the imports and exports of coin and bullion for the twelve months ending April, were: imports, 1915, \$132,231,434; 1916, \$34,152,875; 1917, \$28,118,693; and exports, 1915, \$33,104,463; 1916, \$198,663,350; 1917, \$196,544,030. Although it has been customary to include these figures in trade returns, the total trade figures are seriously disturbed by them in this instance and they should not be taken as an indication of the trade of Canada.

### RUSSIA TO IMPORT FOOTWEAR.

Russian municipalities are about to engage in the boot and shoe business, according to Mr. C. F. Just, Canadian Trade Commissioner at Petrograd. Mr. Just reports to the Trade and Commerce Department that a number of cities are arranging to import boots, shoes and rubbers in order to supply their people with footwear at reasonable prices. The city of Moscow is in the market for 400,000 pairs, and other cities will make purchases on the same scale. Mr. Just states that the Russians will be glad to deal with Canadians if the goods can be procured here at satisfactory prices.

### IMPORTS BANNED.

The importation of the following articles into Grenada has been prohibited, according to a cablegram received by the Trade and Commerce Department, Ottawa, from the British West Indies: carriages, carts, wagons, except spare parts, including bicycles, tricycles, motor cycles, but excluding motor ploughs and trucks, for agricultural purposes, clocks, confectionery, jams, jellies, musical instruments, perfumery, pictures, furniture, jewellery, sparkling wines, liquors, silken goods, guns, rifles, ammunition, electrical apparatus.

### MONTREAL CUSTOMS RECEIPTS.

May Customs Receipts for the Port of Montreal Make Record by Passing \$4,000,000 Mark.

The Montreal customs returns for the month of May have beaten all records and have amounted to over the \$4,000,000. The inland revenue returns for May amounted to \$1,225,330.89, and with belated returns coming in will reach even higher.

The receipts for May, since 1900, were as follows: 1909, \$1,115,628; 1910, \$1,534,204; 1911, the year of the Dominion election, \$1,727,949; 1912, the end of the first year of the Conservative regime, \$2,144,266.14; 1913, \$2,396,077; 1914, the year when the great war began, \$2,012,153; 1915, the war still causing receipts from abroad to decline steadily, and therefore the receipts in Customs to decline, although duties and war taxes had been increased, \$1,855,001; 1916, when the benefit of Canadian participation in the making of munitions began to make itself most felt, and as a result more raw materials were needed, and people bought more, having more money, \$3,226,018, the largest receipts of any month up to March of this year in the history of the port; 1917, \$4,029,749, the largest total of any month to date.

In the inland revenue returns the changes have been steadily on the up-grade all the time, an indication that the internal activities of the country did not suffer from events like the war that stopped imports to a great extent. The steady increase in inland revenue returns was compared yesterday to a snowball rolled down hill in soft snow in the winter time. It grows larger with every turn. The returns for May in recent years are as follows: 1912, \$851,756; 1913, \$966,523; 1914, \$834,024; 1915, \$924,681; 1916, \$1,012,206; 1917, \$1,225,330.89. In January last he returns were \$1,234,677.52, and the belated receipts to-morrow may make up the difference.

### EXPORTS FROM UNITED STATES PASS ALL RECORDS.

According to a Washington despatch, exports from the United States, for the first time in the history of the country, exceeded six billion dollars in the twelve months ending with April, 1917, against less than four billion dollars in the same period of 1916, and two and a half billions or less in previous years.

Imports during the twelve months' period ending with April, 1917, amounted to two and a half billion dollars, against two billions in 1916.

During the month of April, 1917, exports of merchandise were valued at 530 million dollars, against 554 millions in March and 613 millions in January of this year.

For the ten months ending with April, 1917, the exports amounted to \$5,167,000,000, against \$3,394,000,000 one year, and \$2,225,000,000 two years ago.

The excess of exports over imports amounted to \$3,560,000,000 in the 12 months ending with April, 1917, against \$1,914,000,000 in 1916 and \$348,000,000 in 1915.—New York Journal of Commerce.

### MEAT-FREEZING WORKS IN NEW ZEALAND.

(Consul General Alfred A. Winslow, Auckland, Mar. 31.)

The fresh-meat industry is becoming an important factor in the business and industrial life of New Zealand, having supplied exports during the past two years to the value of \$75,045,532. During that time 1,145,531 quarters of beef were exported, 4,680,593 carcasses of mutton, and 6,476,048 carcasses of lamb.

A large number of up-to-date slaughterhouses and freezing works have been erected within the past few years. These have been supplied principally with British machinery and fixtures until recently, when more American supplies have been used with good results, and there would seem to be a good future market here for this class of machinery and supplies.

There are other plants under construction and more are proposed. The combined storage capacity of the present works equals 4,201,000 sheep carcasses of 60 pounds each, and a daily beef and sheep killing capacity of 3,485 and 126,150 head, respectively.

At the close of 1916 there were 2,387,036 head of cattle and 24,788,150 sheep in New Zealand, as compared with 2,020,171 cattle and 23,996,126 sheep at the close of 1911, when the last livestock census was taken.

## 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 Policy-holders.

**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 Co. LIMITED OF LONDON, ENG.

The largest general Insurance Company in the world

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

(As at 31st December, 1915.)

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

Applications for Agencies solicited in unrepresented districts.

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

## A Free Course in "Salesmanship"

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

**A GOOD LIVING WAGE**  
**A PROFITABLE FUTURE**  
**A PROVISION FOR OLD AGE**  
We teach a man the insurance business, which offers permanent success, does not fluctuate, is a professional occupation, and has been truly named "The best paid hard work in the world." This is done by a correspondence course and personal assistance, free of charge. When he is fully prepared for the work, we place him in a position and help him to make good. The first two lessons of the Company's correspondence course will be sent to anyone interested. It will pay young men who desire to get on in the world to look into this. All correspondence strictly confidential.

**CANADA LIFE ASSURANCE COMPANY**  
Head Office, Toronto.



## FIRE PREVENTION.

Public opinion is on the side of fire prevention but it is still passive in its support because it does not yet realize the terrible importance of the movement, does not know that it is a battle against countless forces; against carelessness, criminal negligence, selfish personal interest; a battle, the winning of which will mean the saving of thousands of precious lives and millions of dollars worth of property. It is the poorer and middle classes that suffer most from our great conflagrations, but the prosperity of the whole wide land is affected by this drain on our resources, trade and commerce are retarded, and we are in the position of a people constantly and vainly struggling to repair the destruction of which a large proportion is needlessly wrought. Fire prevention teaches us that we have no right to excuse or condone an evil that might be avoided.—(Whittlings New Hampshire Fire Insurance Co.)

## WAR AND INSURANCE IN CANADA.

The experience of Canadian companies provides a basis of comparison for estimating the effect of war on new insurance. Of the twenty-seven domestic Canadian companies, only three reported less actual new business written in 1916 than in 1915!

The aggregate issue of these domestic companies in 1916 was \$209,125,000 against \$208,703,000 for the preceding year. In this comparison, note should be taken of a large reinsurance by the Sun Life in 1915, which considerably increased that company's new business over normal production.

It will, therefore, be seen that notwithstanding the heavy drains upon the manhood and finances of Canada, the business of life insurance, instead of experiencing a setback, actually made substantial progress.

The American companies and their field workers, admittedly more aggressive than their brothers across the border, have no reason for apprehension or discouragement over the probable effects of war upon their output.—Insurance Press.

## CONVINCING ARGUMENT.

Three billion dollars of life insurance was bought in 1915. The significance of these figures is apparent when it is understood that at this rate the amount of life insurance bought in 6 years would equal the entire capital stock and bonded indebtedness of all the railroads in the country. This great amount was taken by intelligent men because they realized that life insurance was the only medium by which a maintenance for wife and children and an income in old age for themselves could be provided with absolute certainty by means of small deposits. The most convincing argument for life insurance is the universal acknowledgment of its value, the character and number of the men who buy it, and the purpose for which it is taken. To teach men the amount sufficient for the purpose—to spread the education by which insurance shall be even more widely distributed, to arouse the procrastinator, to convert the selfish, to start the young man, is the work and privilege of the insurance agent.—Travelers Agents' Record.

## RATE REDUCTION.

The tendency to rate reduction still continues, notwithstanding it is offset to some extent by large additional values covering on certain lines of property at more than the normal rate. Since 1907, when it stood at 1.14 the average rate has shown an undeviating decline. In 1914 it had descended to 1.02, and in 1915 had reached precisely 1.00. When the 1916 figures are disclosed we may expect to see something less than 1.00 for the first time since the demoralized days of 1899. Yet owing to the advancement of improved construction and protection, underwriters can contemplate this reduced rate with some equanimity. It is what they have been working for in the fire prevention education of the past fifteen years. Underwriters are steadily keeping before them the axiom of "A better risk at a lower rate," as their profits are made in the States and upon the classes which have the lowest average rates. If the community would only co-operate along this line, an equilibrium in the business would be gained. Wherein one State differs from another in its average rate, be it higher or lower, it can be shown that in the long run it is but the reflex of the rate of burning plus the cost of expense in that State.—(Frank Lock, United States Manager of Atlas Assurance Co. of London).

## "A Little Nonsense Now and Then"

The Lady of the House—If you want eggs to keep you must lay them in a cool place. The Celtic Attendant—I'll mention it to th' hins at wanst, mum.

"Auntie, did you ever have a love affair?" "No, child." "Never had a romance?" "No. The nearest I ever came to having a romance was once when I went through a match factory."

"Bob," said Lily's small sister, who was entertaining him while he awaited the appearance of Lily, "do you love Lily?" "Er—" stammered Bob, "I—but why do you ask?" "She said she'd give a dollar to know," replied the little one, snuggling up, "and—I want the money!"

Owner: "Here, what are you doing? Don't you know you're not allowed to take fish out of this water?"

Angler (three hours without a bite): "I'm not taking them out; I'm feeding them.—Chicago Herald.

George was hampered by a mother whose idea of godliness was cleanliness. Notwithstanding the frequent baths to which he was condemned, George thrived exceedingly. One day a neighbor remarked on his rapid growth.

"Yes," said George, "that's ma's fault. She waters me too much!"—Tit-Bits.

Editor: "How's the new society reporter? I told him to condense as much as possible."

Assistant: "He did. Here's his account of yesterday's afternoon tea: 'Mrs. Lovely poured, Mrs. Jaber roared, Mrs. Duller bored, Mrs. Rasping gored, and Mrs. Embonpoint snored.'—Tit-Bits.

At the seventh inning, according to ancient custom, the crowd stood up and stretched. The tyro looked about him with a puzzled expression, then jumped to his feet and took off his hat. "I say, old chap," he whispered to the man who stood next to him, "there must be something the matter with my ears. I didn't hear the band play the 'Star Spangled Banner!'"—Cleveland Plain Dealer.

"So you have sent your boy to college?" "Yes." "You used to say that a college education didn't teach anything. Have you changed your mind?" "Yes." "Since when?" "Since he went to college." "Well, what does a college education teach that is really practical?" "It teaches a boy's father how to take care of his money!"

The old miser in the story, who dropped a \$5.00 gold piece in the plate at church, mistaking it for a nickel, could get no great satisfaction out of the deacon, as will be recalled, but he was not the man to give up easily. Accordingly he sought legal advice with a view of instituting a suit at law. But the lawyer whom he consulted was one of those rare and gifted souls who would rather be witty than rich, or almost anything else, for that matter. "Sir," said he at once, "you have no case. You are guilty of contributory negligence."—Chicago Daily News.

## You Cannot Tell What the Future Has in Store :

It is sound business principle to arrange one's business affairs so that they will be looked after promptly, ably and continuously. Our organization is at your service. Why not consult us respecting the preparation of a Will and the management of your estate? Our fees are moderate and our methods thorough and approved by highest authorities.

**PRUDENTIAL TRUST COMPANY,**  
Limited

9 St. John Street - Montreal  
BRANCHES THROUGHOUT THE DOMINION.

## 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 - - - - - 2,600,000

These are reasons why the Company is known as

"SOLID AS THE CONTINENT"

## NORTH AMERICAN LIFE ASSURANCE COMPANY

HEAD OFFICE - - - - - TORONTO, CAN.

Founded in 1806

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

ASSETS EXCEED \$48,000,000.

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

Canadian Head Office:

57 Beaver Hall Hill, MONTREAL

Agents wanted in unrepresented towns in Canada

J. E. E. DICKSON, Canadian Manager.

W. D. AIKEN, Superintendent Accident Dept.

## 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, W. B. MEIKLE,  
President. 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, ELLIOTT G. STEVENSON,  
Secretary. President.

S. H. PIPE, F. A. S., A. I. A.  
Actuary.

### "SAFETY FIRST" MOVEMENT.

Probably the most important movement inaugurated in this country in recent years is the "Safety First" movement. Started by a few of the largest manufacturers about ten years ago, it has grown to such proportions that all the public service corporations, including rail and water transportation companies, heat and light companies and many large retail department stores, have their own safety organizations. Practically every manufacturing business in the country has a director of safety or safety committee who safeguard their factories and places of business. The real pioneers in the movement were the inspectors for the casualty insurance companies, who realized the importance of covering the exposed and dangerous parts of machinery particularly, in factories to prevent costly accidents to employees. At first these men were ridiculed as visionaries and impracticable persons by both employees and employers, who had worked so long under existing conditions that any such innovation seemed foolish. The employer's argument generally was that he had been operating so for many years; that his men knew where the dangerous points were, and that it was their own fault if they were injured. The employee would say that he was not a child, that safeguards would be in his way and—"well, he could not work with guards on his machine." The persistent and consistent campaign of education has nearly overcome this sort of opposition. A development and improvement in machinery and in processes has caused an attendant speeding up, not only of machinery but of the workmen who operate the machines and handle the output, which naturally produced an increase in accidents. It is now established that it is as necessary to conserve the available supply of labor as it is to conserve natural resources—hence "Safety First" to save the lives and limbs of the workers. (William A. Weir, Manager, Inspection Department, Commercial Casualty of Newark).

### INSURANCE IN CANADA.

Life insurance in force in Canada totals approximately \$1,424,000,000. The total increase for Canadian companies was over \$68,000,000; United States companies, nearly \$44,000,000. The figures for British and Colonial companies are incomplete. There were 457,687 policies taken up last year, as compared with 482,596, a decrease of 24,909. According to the insurance department's figures, it will be seen that Canadian companies secured premiums aggregating \$30,445,735; British and Colonial companies, \$1,898,659; United States companies, \$15,893,099, of the total, which was \$48,237,493. In the number of new and taken-up policies, United States led in 1916, as they have done for some years, their number being 330,008. Canadian companies were responsible for 120,759, and British companies and Colonial companies 6,920, but in amount Canadian companies stand first, their total being \$138,201,281. United States companies were second with \$87,649,711, while British and Colonial companies issued policies valued at \$5,295,133. United States companies at the end of 1916 had 1,474,455 policies with a net amount in force of \$467,499,266, and Canadian companies had 676,998 policies, the net amount of which was \$898,151,418. The British figures are not given, owing to one large British company not obtaining same from its head office. Eight Canadian and five United States companies took premiums exceeding \$1,000,000 during 1916, while the highest British amount was \$685,622.

### SHOULD BE TAX-FREE.

Instead of imposing an added tax, the Government should recognize that American life insurance will be one of the Nation's greatest economic stabilizers during and after the war, and may be called upon to distribute millions of dollars to the widows and orphans of fallen heroes. Such a system demands encouragement and not restriction.

The prospective relief work of life insurance during the war cannot be estimated. Insurance differs only in its commercial organization, from the Red Cross Society and similar voluntary associations. All minister to the needs of humanity.

A proposal to tax the receipts of the Red Cross Society would be no less absurd and inequitable than a special war tax on life insurance new business. It is inexplicable that legislators, most of whom evidence their appreciation of the value of life insurance by carrying policies, should hold, as a body, such a narrow conception of the true functions of life insurance and its deserved consideration, in distinction from other lines of commercial enterprise.—Insurance Press.

## News of the Week

TUESDAY, May 29.

In the Champagne Region, the French occupy all the commanding heights with the exception of Hill 200.

In the Laon Zone the French have pushed their line up to the Ailette River.

On the British front there has been little activity. Italian offensive aided by British heavy guns and British monitors in keeping one million Austrians engaged and consolidate Saturday's victory on Mont Hermada.

Folkestone was the English town visited by German aeroplanes on Friday, May 25.

The Brazilian Chamber, by 136 votes to 3, sanctioned the revocation of neutrality in this war.

Resolutions were presented to the Spanish Government urging a change of attitude toward the war. The Germans are constructing more defensive works behind the Mericourt-Oppy line in front of the British in France.

Li Ching-Hsi is premier of China in succession to Tuan Chi-Jui.

WEDNESDAY, MAY 30.

Canadian heavy howitzers are bombarding the enemy's positions southwest of Loos.

Lull on British front continues.

French artillery continue fighting in Champagne. Italian advance continues.

British cruiser torpedoed and sunk in North Sea. British hospital ship Dover Castle torpedoed and sunk.

Campaign in Russia has been resumed.

Japan will give aid to the British and French in the form of loans.

Count Andrássy was reported to have been named Premier of Hungary in succession to Count Tisza.

THURSDAY, MAY 31.

Aerial activity is increasing along the British front.

On Sunday last, thirty of the enemy craft were shot down.

Artillery very active in St. Quentin and Champagne regions.

Italians have taken piece of the Austrian line, although the fighting is less intense than a week ago.

British shipping losses last week amounted to eighteen vessels.

In Eastern Galicia fighting has been resumed.

Fighting on the Belgian front continues.

Great Britain has requisitioned all tobacco supplies and all imported cheese.

The colors of the American Legion were deposited in St. Paul's Cathedral, London.

A British destroyer prevented the destruction of a Norse steamer by a submarine.

The French scientific mission, with whom is Sir Ernest Rutherford of Great Britain, arrived in Washington.

FRIDAY, JUNE 1.

Austrian force annihilated in a desperate fight with the Italians.

In region of Laon, northwest of Rheims, lively artillery fighting continues.

Brazil has joined the Allies.

German forces move eastward.

SATURDAY, JUNE 2.

Canadian artillery is maintaining steady bombardment of the Lens defences.

Heavy artillery fighting between French and Germans continues in Laon region.

German attacks repulsed by the British, French and Italian troops on three fronts.

German prisoners captured by the French between April 15 and May 24, number 31,829, of whom 28,045 were unwounded.

Eighty-nine aeroplanes destroyed by the French in two weeks.

The losses of British cereal ships were announced to be very slight.

A British and a German submarine collided in the English Channel.

Baron Devonport, the British Food Controller, resigned because of ill-health.

Sir Thomas White gave notice of his bill to amend the bank act, providing for loans to farmers on security of their live stock.

MONDAY, JUNE 4.

Many King's Birthday honors shared by Canadians. Canadians take a mile of the enemy's front near Lens.

Fierce fighting between British and Germans south of Souchez River.

Artillery fighting continues between French and Germans.

A lull is reported on Italian front.

Brussiloff is new chief of Russian army.

The military and civil authorities in China clash.

# LUMBER, PULP AND PAPER

## PULP AND PAPER BUSINESS IN THE U. S.

In the past year the attention of the investing public has been drawn to the pulp and paper industry, which, for a number of years had attracted little notice, but suddenly jumped into prominence through an unprecedented shortage in the material and a remarkable increase in the profits of companies engaged in the business, writes De F. H., in the *Financier*.

As far as known, no statistics with reference to this industry have been generally circulated. In an effort to determine whether the shortage of material and the sharp rise in the security market was due entirely to the war, or in part to the normal growth of the business, we prepared a graphic analysis of the industry, part of which is here published.

The latest available U.S. Government figures covering the production of pulp and paper in the U. S. are contained in advance sheets of the census of manufactures for 1914, showing a production in that year of over \$332,000,000 or over \$1,000,000 per working day. As these figures were compiled before the war and before the existing abnormal conditions in the business, they may be taken as a reliable index of the normal growth of the industry.

The official figures are as follows:

### CENSUS OF 1914.

*Number of establishments . . . . .	718
Persons engaged in manufacture . . . . .	95,516
Proprietors and firm members . . . . .	221
Salaried employees . . . . .	6,838
Wage earners (average number) . . . . .	88,457
Primary horsepower . . . . .	1,613,916
Capital . . . . .	\$534,625,000
Services . . . . .	66,164,000
Salaries . . . . .	12,918,000
Wages . . . . .	53,246,000
Materials . . . . .	213,181,000
Value of products . . . . .	332,147,000
Value added by manufacture (value of products less cost of materials) . . . . .	118,966,000

(\*)—In addition, in 1914, nine establishments engaged primarily in the manufacture of paper boxes and roofing materials and in other industries produced paper and pulp to the value of \$2,767,407, and in 1909 fifteen establishments of this character manufactured \$2,567,267 worth of paper and pulp.

In the year 1859 the United States produced less than \$50,000,000 worth of pulp and paper. In 1914 the pulp and paper produced was valued at \$330,000,000. Under normal conditions and prices the output in 1916 would have exceeded \$345,000,000, irrespective of the war, which has added not only to the quantity but to the total value of the output.

The growth of the industry in the U. S. is the more remarkable when taken in connection with our increased imports of pulp and paper from Canada under the existing tariff, which admits pulp and paper of the cheaper grades free of duty.

The figures covering Canada's exports to us are available to March 31, 1916, and show the following:

Year ending March 31, 1906.	1916.	Increase.	
Wood paper . . . . .	\$2,419,628	\$ 9,372,769	287 3/10%
Paper . . . . .	158,474	16,888,530	965 7/10%

Our imports from foreign countries, other than from Canada, were relatively small even in the year ending June 30, 1914, when our imports of pulp reached the total of 274,319 tons or slightly more than our imports of pulp from Canada in that year. Our imports of paper from Europe are negligible, amounting to only two or three thousand tons. As our production of pulp in this country in 1914 was 2,893,150 tons it will be seen that our imports from abroad are less than 9% of our requirements, and on the basis of our normal increase in consumption in this country, the amount imported from Europe is less than three years' increase in our demand for the product.

It would therefore seem that a resumption of shipment of pulp from abroad would reduce the price somewhat but not overstock the market.

We are looking more and more to our neighbors for our supplies of this sort, which, in view of Canada's large purchases from us in other lines, is highly desirable from a business standpoint.

One of the facts brought out by our study of the figures is the rapid growth of the pulp and paper industry as compared with the growth of population.

From 1869 to 1914 the population of the United States increased 155.9% as compared with an increase of 579.9% in the value of pulp and paper pro-

duced. Corresponding figures for the increase in the output of Steel Works and Rolling Mills show an increase of 567.7%, or slightly less than the increase in the value of pulp and paper produced.

While the total figures are much greater in the case of the iron or steel industry, pulp and paper, employing over 95,000 persons, and more than \$534,000,000 of capital, deserves to rank as one of our great industries.

The unusual impetus given to the industry has already placed many weak paper companies on a strong financial basis and the industry as a whole is not only in a strong position to-day, but should continue permanently in a strong position among our great industries.

In view of the present shortage and the large annual increase in our requirements, it seems likely that even with Europe shipping pulp to us freely, American and Canadian mills must work to capacity to fill the growing requirements of this country.

## BELGO-CANADIAN TO PLANT TREES.

The Belgo-Canadian Pulp and Paper Company, Limited, of Shawinigan Falls, Quebec, has decided to commence planting trees on its holdings, making the third large paper company to undertake such reforestation work.

## THE CYPRESS TREE.

There is a general impression that the cypress is a slow growing tree, but under cultivation and favorable location cypress trees often grow up to twenty-four feet in height in the first ten years. In the District of Columbia cypresses 50 years old are 20 to 30 inches in diameter and 65 to 85 feet in height, excelling all associated species in the rate of height growth. Other observations show a good development in cypress in height and diameter when properly spaced in planted stands.

## PRESENT STATE OF FORESTS IN PRAIRIE PROVINCES.

A most interesting and informative estimate of forest conditions has been furnished by the Dominion Forestry Branch at the request of the Canadian Forestry Journal. It deals with the results of examinations by Forestry Branch reconnaissance parties of about 100,000 square miles north of the prairies in Manitoba, Saskatchewan and Alberta. On this area, which is accepted as typical of the bulk of the tree-covered lands (the complete survey of which will be completed in about two years)

about 6 per cent. is grassland or prairie,  
about 3 per cent. is water.

about 23 per cent. is muskeg or slough,

about 55 per cent. is covered with more or less good reproduction verging in size from seedlings to trees 8 inches in diameter, B. H. This includes also recent burns where the reproduction may as yet be very poor or altogether lacking.

About 13 per cent. of the area is covered with timber of merchantable size, 8 inches or more.

This estimate is at once a tragic testimony to past neglect and a reminder that only by resolute conservation policies beginning with exclusion of fire and on through replanting to a scientific plan of utilizing mature timber will the timber resources of the prairie provinces prove equal to the requirements of future population. If, as claimed, the future of Canada depends upon heavy immigration, the hope of immigration depends not upon bare land merely, not upon wider markets merely, but upon holding down the costs of production in which the cost of lumber and fuel, fence posts and other wood supplies bear such a substantial part. As the cost of wooden pit props affects the price of coal or the cost of barrels affects the selling price of fish, so the thousand-and-one products of the forest that enter into a modern farming plant will retard or send up the production cost of wheat and live stock according as the storehouse of the provincial forests is in a flourishing or depleted condition.

The forests of Alberta are primarily for Alberta's use. So with Saskatchewan and Manitoba. Each province gets all the dividends of conservation by whomsoever applied.

## YIELDS OF B. C. FORESTS.

Increases in the value of the natural products of the Province produced last year were shown in optimistic reports submitted in Legislature of British Columbia by Premier Brewster in the course of his budget speech. These reports showed the following most satisfactory results:

	1916.	1915.
Forest . . . . .	\$35,528,000	\$29,150,000
Mines . . . . .	42,300,000	33,000,000
Fisheries . . . . .	14,538,320	11,515,086
Agriculture . . . . .	32,259,157	\$1,127,801

The estimated value of production in the forest industries was \$35,528,000, an increase of more than \$6,000,000 over the total for the previous year, and greater than for 1914 or 1913. The production of shingles and boxes has shown a noticeable increase.

The export lumber trade was severely handicapped by the scarcity of tonnage throughout the year, and the quantity shipped overseas was consequently reduced from 58,000,000 feet in 1915 to 44,000,000 feet in 1916. Placed as she is, British Columbia will have every opportunity of doing an important export trade when the tonnage situation is re-established. Such trade was particularly desirable as a stabilizing influence, so that the Coast industry may be less dependent upon the Canadian Prairie market. For the past year, however, the Prairie demand has been most satisfactory, while shipments to Eastern Canada were double those of the year before. Persistent effort is made by the Provincial Government to advertise the merits of British Columbia forest products and to assist manufacturers who are entering new markets.

Including nearly \$180,000 from the taxation derived from the crown grant timber lands, the Province drew from forest sources in 1916 a revenue of \$2,000,000 which is slightly in excess of the amount for 1915. For the coming fiscal year the direct forest revenue, apart from such taxation, is estimated at \$2,300,000, an amount including various royalty arrears which are now being called in. The improved outlook is shown by the fact that last month's forest revenue was the largest since the war began, while the collection for the month from both royalties and timber sales broke all previous records.

## N. B. FOREST CONTENTS.

The Survey of the forest possessions of New Brunswick has now reached a point where many very instructive conclusions are available. In making his report to the Government, Mr. P. Z. Caverhill, director of the survey, states that of a total of 7,500,000 acres of Crown Lands, 550,000 acres have been surveyed and examined by the field parties. The mapping and compiling of 371,000 acres have been completed.

On 371,000 acres, 76 per cent was found to be covered with merchantable timber, and less than two per cent with second growth of less than merchantable size. Eleven per cent has been burned in times past but now contains young forest growth in sufficient quantities to replace ultimately the former forest. On nine per cent of the area mapped, fires have caused such damage that satisfactory reproduction has been made impossible. Of the remaining, two per cent, less than half represents the area of lands cleared or cultivated, and the balance is made up of caribou barrens, cranberry bogs, swamp land not supporting commercial growth, etc.

If it be assumed that the 271,000 acres mapped to date is fairly representative of the 7,500,000 acres of Crown lands, the total stand will be in the neighborhood of 16,220 million feet, estimated to be worth in stumps at least \$40,000,000. Mr. Caverhill estimates that the harvesting and marketing of this crop will distribute among the people of New Brunswick not less than \$300,000,000.

The commercial timber on the 282,064 acres of timber land is estimated as follows:

	Thousand board feet.
Spruce . . . . .	139,506
Fir . . . . .	96,627
Pine . . . . .	19,240
Cedar . . . . .	34,821
Hemlock . . . . .	7,474
Maple . . . . .	30,034
Birch . . . . .	97,956
Beech . . . . .	12,838
Other species . . . . .	8,366
Making a total of . . . . .	446,862

**BLACK DIAMOND**  
FILE WORKS

Established 1863 Incorporated 1897

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

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

Owned and Operated by  
NICHOLSON FILE COMPANY

PROFESSIONAL

THE 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.

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

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

THE **Home Bank of Canada** ORIGINAL CHARTER 1854

NOTICE OF QUARTERLY DIVIDEND

Notice is hereby given that a Dividend at the rate of five per cent. (5%) per annum upon the paid-up capital stock of this Bank, has been declared for the three months ending the 31st of May 1917, and that the same will be payable at the Head Office and Branches on and after Friday, the 1st day of June 1917. The Transfer Books will be closed from the 17th day of May to the 31st day of May 1917, both days inclusive.

By Order of the Board,  
J. COOPER MASON,  
Actg.-General Manager  
Toronto, April 24th, 1917.

**The Bank of Nova Scotia.**  
DIVIDEND NO. 190.

Notice is hereby given that a Dividend at the rate of fourteen per cent, per annum on the paid-up Capital Stock of this Bank has been declared for the quarter ending June 30th and that the same will be payable on and after Tuesday, the 3rd day of July next, at any of the offices of the Bank.

The Stock Transfer Book will be closed from the 18th to the 30th proximo, inclusive.  
By order of the Board,  
H. A. RICHARDSON,  
General Manager.  
Halifax, N.S., May 15th, 1917.

**The Montreal City and District Savings Bank**

NOTICE is hereby given that a Dividend of Two Dollars per share on the Capital Stock of this Institution has been declared and will be payable at its Head Office, in this City, on and after Monday, the 2nd of July next, to Shareholders of record on the 15th day of June next, at 3 o'clock p.m.

By order of the Board,  
A. P. LESPÉRANCE, Manager.  
Montreal, May 28th, 1917.

PROVINCE OF QUEBEC, DISTRICT OF MONTREAL, NO. 1667, SUPERIOR COURT.—Dame Bernadette Auge of Montreal, wife common as to property of F. E. Wilfrid Corbeil real estate broker, of City and District of Montreal, duly authorized to the present, Plaintiff, vs. The said F. E. Wilfrid Corbeil, Defendant. An action in separation as to property, has been taken in this case on May 16th, 1917.

BERNARD & SON,  
Attorneys for Plaintiff.  
Montreal, May 16th, 1917.

**Canada's Steel Output in 1916**

**Ingots and Pig Iron Made a New High Record.**

The statistics of production of iron and steel in Canada in 1916 as published by the American Iron and Steel Institute in the past week show a marked increase over the output of the preceding year. Pig iron production was 1,069,541 gross tons against 825,420 gross tons in 1915. The production of steel ingots and castings last year amounted to 1,286,509 tons against 912,755 tons in 1915. The production of pig iron by grades in 1916 and the four years preceding was as follows, gross tons:

	Basis.	Bes- semer.	Foun- dry.	All Others.	Total.
1912 .. ..	489,799	228,742	194,208	129	912,878
1913 .. ..	558,524	227,662	225,231	3,701	1,015,118
1914 .. ..	331,456	184,053	174,346	16,117	705,972
1915 .. ..	660,369	13,714	125,769	25,568	825,420
1916 .. ..	851,453	12,575	181,748	23,765	1,069,541

The production of steel ingots for last year was 1,255,196 tons and of steel castings 31,313 tons. The production of ingots and castings by processes in the past five years was as follows, gross tons:

	Open- Hearth.	Bes- semer.	Other	Total.
1912 .. ..	645,062	207,569	400	853,031
1913 .. ..	768,663	273,391	449	1,042,503
1914 .. ..	556,910	186,158	284	743,352
1915 .. ..	884,736	22,521	5,498	912,755
1916 .. ..	1,245,488	10,968	30,053	1,286,509

**FINISHED ROLLED PRODUCTS.**

The production of finished rolled products in Canada in 1916 was 76,478 tons of iron and 887,332 tons of steel, making a total of 963,810 tons. This compares with the high record of 967,097 tons in 1913. The distribution of finished rolled forms of leading products for the past five years is shown below:

	1912.	1913.	1914.	1915.	1916.
Rails .. ..	423,885	506,709	382,344	209,752	81,497
Structural shapes and wire rods .. ..	64,082	68,048	59,050	114,829	174,490
Plates and sheets, nail plate, merchant bars, tie-plate bars, etc. .. ..	373,257	392,340	218,125	328,737	707,823
Total, gross tons .. ..	861,224	967,097	659,519	653,318	963,810

It will be noticed that rail production last year fell off heavily, due in large part to the extraordinary demand upon steel works for war steel. In the preceding year Canada shipped a considerable quantity of rails into the United States.

The production of iron and steel cut and wire nails in Canada in 1916 amounted to 1,757,000 kegs of 100 lb., as compared with an estimated production in 1915 of 1,636,000 kegs. Cut or wire nails were made last year by nineteen works in five provinces.

The production of finished angle splice bars, tie plates, fish plates and other rail joints and fasten-

ings in Canada by rolling mills and steel works in 1916, all steel, not including spikes, bolts, nuts and similar fastenings, amounted to 6,479 gross tons, as compared with 9,406 tons in 1915, 34,165 tons in 1914, 54,839 tons in 1913, and 52,157 tons in 1912.

The total production of cast-iron gas and water pipe and fittings and cast-iron soil and plumbers' pipe and fittings in Canada in 1916 is estimated at 43,850 net tons of 2,000 lbs., as compared with an estimated production in 1915 of 53,700 net tons, a decrease of 9,850 tons.

**Book Review**

**The Irresponsible Five.** By W. H. Moore. McClelland, Goodchild & Stewart, Toronto. Mr. Moore's pamphlet is a review of the recent report of the majority of the commissioners appointed to inquire into Canada's railway problems. The majority of the Commission, it will be remembered, recommended the nationalization of the principal railways, other than the Canadian Pacific, and the creation, for the management of these railways, of a board of five trustees, to be appointed in the first instance by Parliament and then to become practically self-perpetuating. It is this board which supplies Mr. Moore with his title and he criticises very freely the report which proposes the creation of such a body. He writes as a farmer, but pleads guilty to having had twenty years experience in railway matters. The fact that his experience has been in the service of one of the railway companies proposed to be wiped out does not make his criticisms less entertaining. The pamphlet is a breezy and interesting contribution to the literature of one of our most difficult problems.

**ALBERTA HAIL INSURANCE.**

During 1916, on account of the heavy hail losses, the Hail Insurance District of Alberta was not able to pay all awards. Provision has been made by an amendment to the Municipal Co-operative Hail Insurance Act whereby the system of taxation for hail purposes is changed from a flat rate on all assessable lands to a flat rate of five cents per acre on all assessable lands and an additional rate on all lands under crop such as will be sufficient, together with the flat rate of five cents per acre, to pay all hail losses for the year, administration expenses and unpaid awards of former years.

The Hail Insurance Board organized under the Municipal Co-operative Hail Insurance Act of Alberta, is indebted to claimants for hail insurance losses which it is unable to pay to the amount of \$262,000. In order to enable the board to pay its claims in full the Government, by an amending Act agrees to guarantee the payment of the promissory note or notes of the board for the amount herein specified and interest.

**NEW YORK LIFE.**

New York Life Insurance Co. will take \$5,000,000 Liberty Loan bonds.

**ONTARIO'S FIRE RECORD.**

The office of the Fire Marshal reports the fire loss in Ontario for the first three months of 1917 as follows:

Month.	No. of Fires	Loss.	Insurance covered by Loss.	Insurance.
January .. ..	798	\$ 808,419	\$ 566,589	\$241,830
February .. ..	1,020	1,369,139	1,105,039	264,100
March .. ..	765	1,144,373	886,126	258,247
Total .. ..	2,583	\$3,321,931	\$2,557,754	\$764,177

He also reports that during the month of March there was held twenty-six investigations into fires, and in only one case was arson clearly enough shown to warrant prosecution, and in that case the suspect had run away and a warrant is now outstanding against him.

**PROVINCIAL TREASURER TO SPEAK.**

The Hon. Walter Mitchell, Provincial Treasurer, will be the speaker at the next luncheon of the Montreal Fire Brokers' Association. As Mr. Mitchell has been the author of a considerable amount of insurance legislation what he has to say will naturally be of unusual interest to the members of the Association.

**POLICIES PROVIDING**  
Guaranteed Annuities, Payable Monthly.

A Policy that secures to the Beneficiary a definite income payable in monthly instalments throughout life is the ideal Life Assurance Contract. Such an income is guaranteed for twenty years, under Mutual-Life-of-Canada contracts issued on the Life, Limited Payment Life, and Endowment plans. The income will be increased by an interest dividend during the twenty years of guaranteed payments. Write for our booklet—"Policies Providing Guaranteed Annuities Payable Monthly." Full particulars of any desired plan may be secured by giving age of the prospective beneficiary, as well as your own.

**THE MUTUAL LIFE ASSURANCE**  
Company of Canada

	WATERLOO	ONTARIO
ASSURANCES .. ..	\$109,645,581	
ASSETS .. ..	\$29,361,963	
SURPLUS .. ..	\$4,595,151	

# Phosphate Deposits of Canada and Western States

By W. F. FERRIER.

From 1904 to 1908 I was engaged in exploration and development of the phosphate deposits in the Western States to which Dr. Adams has made reference. It was not until 1906 that the United States Geological Survey had parties in the field to investigate these deposits. I was in charge of the work for my principals for four years, and traced the deposits over the States of Utah, Idaho, Wyoming, and Nevada almost to the borders of California.

When in Washington I urged the U. S. Geological Survey to put parties in the field; and eventually Mr. F. B. Weeks was assigned to the work. I had been asked by the Director to write a Bulletin for the U. S. Geological Survey, but as I represented private interests I declined the invitation to undertake the sole authorship of such a report, offering instead to place all the material and facts we had accumulated at the disposal of Mr. Weeks, to give him access to all our plans, sections, and collections of fossils, and to guide him over the ground. The offer was accepted, and in 1906 a report was published by the U. S. Geological Survey, entitled: "Phosphate Deposits in the Western States, by F. B. Weeks and W. F. Ferrier."

The first phosphate was mined and shipped from the Waterloo claim, at Montpelier, Idaho. We were fortunate in the location of that property because the main phosphate bed, which is about five feet thick and very uniform, was covered, over a large area, by a bed of limestone only, about 18 inches thick, very hard, and full of fossils. This bed had protected the underlying phosphate from erosion and by merely stripping it away we were able to obtain many thousand tons of phosphate before we were forced to go underground. The phosphate was so soft at first that we used coal augers and light charges of black powder.

At this time I urged my principals to investigate the occurrences which I felt confident, from a study of the maps and reports of the Canadian Geological Survey, would be found to extend into Canada. My chief reason for doing so was that there were certain difficulties regarding railroad rates for the shipment of phosphate in and from the United States, and it was impossible to get a combined rail and steamship rate. At that time the best field for the phosphate industry lay in the export trade, the amount required for the Western States being very trifling and the rates for shipment to the eastern market prohibitive. We sent shipments to Australia and had enquiries from Germany, Japan, and Honolulu, so that if we had found phosphate in Canada we would not only have had a shorter railroad haul, with the possibility of getting acid at the coast, but also much better facilities for shipments abroad. I had also indicated that some phosphate might be found in Nova Scotia, although aware that the carboniferous rocks there belonged to a lower horizon. I was sent to investigate some copper properties in Nova Scotia; so that my first search for phosphate was made there instead of in British Columbia and Alberta. I intended to go to Alberta the next season, but circumstances prevented and nothing further was done.

When I returned to Canada my thoughts were still on the possibilities of finding the phosphate, but I found it exceedingly difficult to interest anyone in the subject. Finally I succeeded, and the credit belongs chiefly to Sir Edmund Walker, who has always taken a keen interest in geology and is, as is known, a warm friend of our Geological Survey. He appreciated the situation and it was through him with others that I was enabled to do my first work. Afterwards Mr. C. C. Ray, of Ottawa, became interested and enabled me to continue the search for commercial deposits.

The first field work I did was in 1912, and the first discovery of phosphate was made on June 11th of that year, at practically the same place where Dr. Adams found it. The float occurred on the old timber slide going up to the divide by Stony Squaw mountain at Banff. I traced it over the divide to Forty-Mile creek. All over the Banff area I found small beds or layers of phosphate rock, but nothing of sufficient size to be commercially valuable under present conditions. I tried to obtain permission to publish my results, and when Dr. Adams' find was announced in the papers, made a trip to Ottawa. I was not even permitted to say that I had found phosphate. In fact it was only the day before I left for Ottawa to attend this meeting that I finally received permission by telegraph to make the matter public. Dr. Adams is quite correct in saying that nothing was published on the subject, but I have done detailed work during four seasons and covered ground not only in the Banff area but also in the Yellowhead Pass, the Crow's Nest Pass, and south of the international boundary.

I may say that I think the Geological Survey deserves great credit for the excellent maps and sections prepared, some of them as early as 1886, of the districts in which I worked. It was whilst studying those maps and the reports that I became convinced phosphate was to be found in Canada and I found that I could roughly correlate the geological divisions with those of the Western States before I had seen them in the field. Mr. James McEvoy was with me during part of my later work. In 1905, when in the Western States, I had knowledge, through one of my assistants, of the occurrence of phosphate in Montana, but the grade was so much lower than what we had elsewhere—our phosphate beds ran from 70 to 80 per cent tribasic calcium phosphate—and the conditions for development at our principal mine were so nearly ideal that I did not consider it worth while to investigate at the time. With regard to my work in Canada I hope to obtain further permission to publish a paper, because I think all such matters ought to be made public, and I am, personally, quite willing to give all the information I can. During my detailed examinations of the geological sections throughout the country from the Yellowhead Pass to the international boundary many interesting facts were noted, but time will not permit me to discuss

(Continued on page 20).

ARGENTINA  
CHILE

Established 1891

URUGUAY  
PARAGUAY

## The Review of the River Plate

ALL ABOUT

### ARGENTINA

Its Wonderful Resources and Possibilities

PUBLISHED IN BUENOS AIRES

BUENOS AIRES

B. MITRE 427

#### AGENTS:

LONDON

A. C. WOOLMER, 24 COLLEGE STREET, LONDON, E. C. WALTER WM. CHAPMAN, MOWBRAY HOUSE, NORFOLK STREET, STRAND, LONDON, (Agent for Breeders' advertisements).

NEW YORK

DONNELL AND PALMER, WHITEHALL BUILDING, 17 BATTERY PLACE, (Sole representatives for the U. S. of America).

ROSARIO.

BARNES & GROSS, GENERAL MITRE 665 ROSARIO.

MONTEVIDEO.

COATES & CO., SARANDI 469, MONTEVIDEO.

#### TERMS OF SUBSCRIPTION (POST FREE).

ARGENTINA (12 months) \$16.00 m/n.  
EUROPE AND AMERICA (12 months) \*£1.15

ALL ORDERS TO BE ACCOMPANIED BY SUBSCRIPTIONS, WHICH ARE PAYABLE IN ADVANCE.

\*European and North American Advertisers and Subscribers are requested to address their communications to the respective agents in London and New York.

### PHOSPHATE DEPOSITS OF CANADA AND WESTERN STATES.

(Concluded from page 19).

them here. The thickness of some of the divisions of the Carboniferous as given in the Geological Survey reports, is, I think, over-estimated, and I am convinced that much of the Upper Banff Shale is really Jurassic, possibly in part Triassic. Ammonites were found abundantly in areas mapped as Upper Banff Shale.

There are one or two things I would like to mention in connection with Dr. Adams' published report. With regard to the horizon of the phosphate beds he indicates that somewhere near the contact of the Upper Banff limestone and the Rocky Mountain quartzite is the place to look for them; but in fact what has been found lies high up in the Rocky Mountain quartzite, near the top, and not at the base. In the Banff area I have found only small beds or layers, not over 12 inches or so in thickness, running up to 22 per cent. or 23 per cent. phosphoric acid, and similar beds with somewhat higher percentages elsewhere. Some shaly beds overlying the Rocky Mountain quartzite are also strongly phosphatic.

An interesting occurrence of phosphatic nodules and fragments is to be seen in the highly tilted beds which form the east bank of the Bow river, for a long distance, at Banff. The line of strike of this phosphate horizon extends from the Bow river over to Forty-mile creek, as may be seen by the geological map of this region.

I would suggest that in pointing out to the prospector what to do to identify phosphate rock, a more simple way than the one described is to carry a few crystals of ammonium molybdate and a small bottle of nitric acid, a minute fragment of the ammonium molybdate placed on the rock and moistened with acid will give, in the case of phosphate rock, a bright yellow coloration, varying in intensity according to the percentage of phosphoric acid contained in the rock.

In conclusion, beds of phosphate, though very small, were found in all the sections examined, and I am sorry to say that up to this day nothing has been found to compare with the deposits of the Western States, and nothing that I could conscientiously recommend for the expenditure of capital.

(Address to the Canadian Mining Institute).

### CANADIAN BANK CLEARINGS.

The total bank clearings from Eastern and Western Canadian banks aggregate for the week ending May 30, \$98,570,759, compared with \$81,684,785 for the same week last year. Returns compared with those of the corresponding week a year ago, follow:

	Week ending April 30,	
	1917.	1916.
Montreal .....	\$88,359,388	\$75,322,916
Toronto .....	66,780,889	49,951,714
Winnipeg .....	65,511,513	49,102,380
Ottawa .....	5,358,805	4,975,889
Hamilton .....	5,034,577	3,457,242
Quebec .....	4,395,459	3,421,196
Regina .....	3,122,985	1,918,826
Halifax .....	3,081,815	2,608,212
Edmonton .....	2,660,845	2,057,742
St. John .....	2,252,152	1,583,895
London .....	2,054,561	1,935,448
Saskatoon .....	1,871,375	1,054,114
Victoria .....	1,790,232	1,045,313
Brantford .....	827,924	637,931
Sherbrooke .....	755,982	432,729
Fort William .....	663,080	538,534
Peterboro .....	671,787	493,490
New Westminster .....	345,323	285,744
Totals .....	\$98,570,759	\$81,684,785

### BANKS TO ASSIST FARMERS.

Amendments to the Bank Act were laid before the Commons on Monday, June 4, by Sir Thomas White. The suggested amendments are to give to the chartered banks of the Dominion authority to make loans to farmers upon horses, cattle, sheep and swine, and to take a simple lien upon the livestock as security, subject always to provincial laws.

The International jury of the Panama-Pacific Exposition announces that an award of a gold medal and diploma has been made to H. R. Charlton, General Advertising Agent of the Grand Trunk system, for his work as collaborator.

### MONTREAL STOCK EXCHANGE.

There was a decided improvement in the demand for industrial securities in the Canadian stock markets, last week, due to the continued strength of the New York list and the excellent reports of industrial plants in Canada, such as the Dominion Steel Corporation, report. Public utilities were not active and bonds made new low records for the year.

The volume of business increased about 50 per cent above the weekly averages recently made. On Thursday sales exceeded 10,000 shares. Comparisons of the turnover on the Montreal board last week, the week preceding and the corresponding week a year ago follow:

	—Week ending—		
	June 2, 1917.	May 26, 1917.	June 3, 1916.
Shares .....	31,726	19,287	68,481
Bonds .....	\$224,300	\$107,807	\$223,900
Unlisted shares .....	563	413	14,756
Do. bonds .....	\$223,000	\$241,560	\$ 28,600

### STATEMENT BANK OF FRANCE.

The weekly statement of the Bank of France shows the following changes: Gold in hand increased 4,505,000 francs; silver in hand increased 107,000 francs; notes in circulation increased 84,927,000 francs; Treasury deposits increased 46,028,000 francs; general deposits decreased 705,000 francs; bills discounted increased 59,766,000 francs; advances increased 7,834,000 francs.

### WANTED

**POSITION WANTED.**—Thoroughly Capable Executive, Canadian, early thirties, married, now holding important position large company, will consider change. Qualified by fifteen years unusually broad and valuable experience with prominent commercial and financial concerns in Canada and New York City to handle important matters with judgment and common sense. All-round proven ability. Excellent references. If your organization offers attractions for a high-grade well educated, thoroughly experienced, broad minded, ambitious, and healthy man look into this. Interview Montreal if desired. Address Box 163, Journal of Commerce, 35-45 St. Alexander Street, Montreal, Que.



A Right  
Quality Product  
for  
Every Purpose



**THE SHERWIN-WILLIAMS Co.**  
of Canada, Limited.

PAINT, VARNISH & COLOR MAKERS  
LINSEED OIL CRUSHERS  
FACTORIES: MONTREAL, TORONTO, WINNIPEG, LONDON, ENG.



**The Paint That  
Costs the Least**

IS THE PAINT THAT COVERS THE GREATEST SURFACE — THAT TAKES THE SHORTEST TIME TO APPLY — THAT WEARS THE LONGEST. HERE'S THE PROOF, S. W. P. COVERS 850 SQUARE FEET OF SURFACE PER GALLON, ONE COAT.

**SHERWIN-WILLIAMS  
PAINTS & VARNISHES**

IF YOU DO NOT QUITE KNOW WHAT YOU REQUIRE, GET IN TOUCH WITH US AND TAKE ADVANTAGE OF OUR FIFTY YEARS EXPERIENCE IN PAINT AND VARNISH MAKING, WHICH WE ARE FREELY OFFERING TO YOU.

# COMMODITY MARKETS

## Week's Wholesale Review

The wet and cold weather of the past week has had some effect on trade although remittances are coming in at a good rate from the country, while the retailers say that they are doing "as well as can be expected." The month of May was, on the whole, quite favorable for seeding and agricultural work, and, if the weather will only remain a little settled, a bumper crop is expected. All the grain markets have developed weakness and with a drop in flour, the bakers lowered the price of bread. The cheese market is looking up now, and buyers here are meeting the sellers so that a good trade is passing. Butter is coming in, in good quantities also. The difficulty found in filling bookings for dry goods, especially woolens and cottons, is as prominent as ever and manufacturers are away behind in orders. The hardware dealers report to have done a very fair business considering the conditions in building and construction work. Paint and oil firms are also being kept busy. The Canadian Fisheries' Association is urging, in co-operation with local dealers, a greater consumption of fish now that other foodstuffs are so high and the local trade reports a good demand at prices which are exceptionally low. Japan teas are beginning to come in now that Canadian stocks are being depleted. Sugar is in a fairly easy market and will probably remain so for some time. Other lines of groceries, especially canned goods are strengthening up, but trade in them seems to remain unabated. Eggs are coming in a little more freely and wholesalers are buying in the American market on account of the high prices being asked by Canadian farmers. With the quotations for leather at their present level, manufacturers are not being rushed off their feet for orders and report a more quiet trade. In boots and shoes, however, the demand is as heavy as ever and orders are being booked at prices to be fixed on delivery.

Bradstreet reports that remittances are coming in well and that city collections are improving. Dun reports five district failures, with liabilities of \$112,000.

### COUNTRY PRODUCE.

**EGGS:** A much easier feeling has developed in the local egg situation with the result that prices are a shade lower. Dealers are buying in the country at 39c and 40c, where they were paying 41c and 42c last week. One of the reasons for the present tone of the market is the importation from the United States of hundreds of cases of eggs at prices lower than those prevailing in Canada. There has been some enquiry from English importers for eggs, but as the bids made were not satisfactory no new contracts were entered into. Whatever trade is being done is in small lots for immediate requirements as packers seem to anticipate lower values before long. Fresh gathered candled stock is realizing in a wholesale jobbing way, at the outside, 43c.

**HONEY:** The tone of the market for honey remains firm because of the light offerings on spot with meagre supplies coming forward. The demand is steady and buyers of round lots are finding it difficult to fill their requirements. Prospects for an active trade when the new crop comes in seem to be very promising.

**MAPLE PRODUCTS:** A good trade is passing in both syrup and sugar at firm prices, but the market is without any special features.

**BEANS:** Small available supplies and decreased stocks tend to keep prices high. Trade is fairly active.

**POTATOES:** The firm undertone to the market for potatoes, which has been making itself quite evident of late, culminated towards the end of the week in a small advance of from 10c to 15c per bag. The demand remains good with supplies small.

<b>Eggs:</b>		
New laid .....	0.43	
<b>Poultry—Live:</b>	Per Pound.	
Fowls, 5-lb. and over .....	0.26	0.28
Fowls, small .....	0.24	0.25
<b>Storage Poultry:</b>		
Turkeys .....	0.32	0.33
Old Turkeys, cocks .....	0.27	0.28
Fowls, hens .....	0.20	0.21
Do., roosters .....	0.17	0.18
Chickens .....	0.22	0.23
Do., crate fattened .....	0.25	0.28
Squabs, per pair .....	0.35	0.45
Geese .....	0.18	0.19
Ducks .....	0.23	0.24
<b>Maple Products:</b>		
Pure maple syrup, quart cans .....	0.40	

Pure maple syrup, 9-lb. tins.....	1.10	1.20
Extra choice syrup, 13-lb. tins ..	1.75	1.90
Pure maple sugar, per lb. ....	0.14	0.16
<b>Honey:</b>		
Buckwheat 5-10-lb. tins .....	0.10	0.11
Clover in comb .....	0.15½	0.16
Do., in 5-10 lb. tins .....	0.13½	0.14
<b>Potatoes:</b>		
New Brunswick, Delawares, 90-lb. sacks .....	4.10	4.15
Quebec's, 80-lb. bags .....	4.15	4.25
Green Mountains .....	4.15	4.60
<b>Beans:</b>		
Can. hand-picked, per bush. ....	8.50	9.00
Yellow eyes .....	7.90	8.25
Rangoon .....	8.50	8.50
3 lb. pickers .....	7.60	7.90
5 lb. pickers .....	7.00	7.25
Japan beans .....	7.50	7.50

### PROVISIONS.

The beginning of last week saw an easier feeling develop in the local hog situation when a decline of 40c per hundredweight was recorded. On Wednesday's market the slump continued and another 25c was marked off prices. "The present drop," said a local dealer, "may be attributed to the easy prices which have developed at other centres, mainly Toronto and Chicago. The former market is down 50c to 75c during the past week, while the latter has been in a bearish mood for the last ten days or so. We must take into consideration, also, that increased supplies are coming forward, but not in such numbers as to leave a surplus unsold, a fact which may account for the fairly steady prices in all lines of provision. However, unless the market strengthens quotations for dressed stock will probably drop."

Available supplies on spot of smoked or cured meats are small and former prices are being fully maintained with a fair trade passing mostly in small lots to meet immediate requirements. Lard prices are very firm, but show no change; the demand is steady.

Current prices are as follows:

<b>Hams:</b>		Per lb.
Smoked Hams, 8-14 lbs. ....		0.32
Do., 14-20 lbs. ....		0.31½
Do., 20-25 lbs. ....		0.30
Do., over 25 lbs. ....		0.29
<b>Bacon:</b>		
Breakfast .....	0.32	0.34
Windsor Bacon, selected .....	0.35	0.36
Windsor Bacon, boneless .....	0.36	0.37
<b>Barrel Pork:</b>		Per bbl.
Short cut pork .....		50.00
Clear fat pork .....		50.00
Mess pork .....		48.00
Bean pork, American .....		46.00
Plate pork, 200-lbs. ....		44.00
<b>Pure Lard:</b>		Per lb.
Tierces .....		0.28
Tubs .....		0.28½
Pails .....		0.28½
Tins .....		0.28½
Cases, 3, 5, 10's .....		0.29
<b>Compound Lard—Western Grades:</b>		
Tubs .....		0.22½
Pails .....		0.22½
Tins .....		0.23¼
Cases, 3, 5, 10's .....		0.23¼
Prints .....		0.23¼
<b>Cooked Meats:</b>		
Roast shoulder pork .....		0.42
Roast hams, boneless .....		0.46
Cooked hams, boneless .....		0.40
Cooked hams, rind off .....		0.41
Head cheese .....		0.16
English brawn .....		0.15

### EXTRA PROFIT FROM SELECTED COWS.

According to the Dairy Commissioner, Ottawa, one remarkably satisfactory result of keeping simple dairy records, yields of milk and cost of feed, is the knowledge gained that cows of good dairy type do repay the cost of extra feed.

One example is given. Not far from St. Hyacinthe, Quebec, one hundred cows produced 104,854 pounds of milk more during 1916 than one hundred did in 1915. The 1915 records showed that ten were not paying so they were beefed, and again in 1916 eleven were sent to the block, being replaced by better milkers. Better feeding contributed largely to the above noted big increase in milk yield; more corn was fed, more clover and a little higher meal ration.

The value of the extra feed was \$605; this produced more milk to the value of \$1,677.66, so that the extra clear return was \$1,072.66, and the cows were in much better condition.

## How the Markets Stand

It is a rather welcome feature of the markets in foodstuffs to be able to record lower prices in some lines at least. Wheat has been in an erratic state, but the weak undertone prevailed all though with the result that it has dropped steadily during the past seven days. Oats and feeds have also shown declines, in the latter commodity to the extent of \$2.00. In sympathy with the wheat situation flour has been marked down a little every day, in all \$1.50 for spring wheat grades, and \$2.00 for winter wheat. Rolled oats is firm at \$4.35. Butter is also in a weak market and each day sees a fraction taken off quotations, 37½c was reached on Tuesday, this year's lowest mark. Cheese on the local boards is selling freely around 21c and competition is keen. Eggs are coming in, especially from across the border, in larger quantities and prices are showing an easier tone, fresh-candled selling at 42c to 43c. Honey is displaying firmness and has strengthened a little. Potatoes jumped up 10c to 15c a bag towards the end of the week, due to small receipts and supplies, the market remaining firm at the advance. Live stock is slow and cattle quotations dropped 25 per cent. Hogs are also on the downward tend with the result that provisions have developed an easier feeling. Fish prices are exceptionally low at present, and dealers are boosting their product. Lobsters and fresh water fish are particularly attractive at present. Sugar is steady at the prices which have prevailed for a couple of weeks past, but with a firm undertone. Tea is slightly higher, the markets in Japan being open for business at former quotations, but freights and transportation difficulties increase the cost of laying down the product here. Hides are at last week's level and show no prospect of an early change. Leather is firm and prices strengthened slightly. Wool and woolen goods are, if anything, higher than a week ago, while cotton goods have gone up. Dried fruits continue strong; difficulty in securing peels is responsible for a slight increase. Peanuts are very firm but filberts are lower.

### DAIRY PRODUCE.

**BUTTER:** Butter is in an exceptionally easy market and the price has steadily declined all week. At the auction on Monday a drop of 1½c to 1¼c was noticed and at Gould's Cold Storage another ¾c to ½c was beaten off, leaving quotations at 37c to 37½c, the lowest prices recorded so far. Buyers are not disposed to operate very extensively and the general opinion of the trade is that the market will keep on in the present easy tone with prices lowering gradually. Pasturage conditions are improving and with the warm weather a good supply of milk will result. The make of butter now arriving is of good keeping quality and as a consequence is in good demand.

**CHEESE:** While the cheese situation is not by any means clear yet there is more disposition on the part of sellers to meet the buyers, resulting in a better trade passing. At the Board of Trade Auction on Monday bidding was keen and opening offers of 16c for No. 1 white, and 15c for No. 2 white rose to 20¼c and 19¼c respectively, at which figures many sales were made. There has been a fairly steady trade passing on spot at 21c to 23c per lb. There is still a deadlock on the Brockville board over 4,000 boxes having been on sale last week and buyers refusing to meet the prices asked. The British Food Controller has commandeered all stocks and arrivals of Canadian, Australian and New Zealand cheese. This move, however, will not affect local prices.

Current prices follow:

<b>Butter:—</b>		
Finest New Milk Creamery .. ..	0.38½	0.39
Fine New Milk Creamery .. ..	0.37½	0.38
Finest Dairy Butter .. ..	0.85	0.36
Fine Dairy Butter .. ..	0.33	0.34
Undergrade Dairy .. ..	0.30	0.31
<b>Cheese:—</b>		
Finest Western .. ..	0.23	
Fine Eastern .. ..	0.22	0.22½
Winter Make .. ..	0.20	0.21
<b>City Selling Prices to grocers:</b>		
Large .. ..	0.26	0.26½
Twins .. ..	0.26	0.26½
Quebec Cheese .. ..	0.24	0.27
Canadian Strong Cheese .. ..	0.26½	0.27
Stilton .. ..	0.29	

**DRIED FRUITS & NUTS.**

The outlook for obtaining peels for the coming season is, to say the least, not bright. "These goods," a local commission man stated, "are shipped to England from Sicily, in brine, and are there turned into the finished product. The British manufacturers are in difficulty to secure containers and labor, which coupled to the embargo that has been placed on practically all food products—has created an exceedingly un-reassuring situation. Our only hope of obtaining fresh supplies will be through the United States, even though the goods from that source are inferior to the British product. You may be sure that the American dealers realize our necessity and are quite prepared to take full advantage of it."

Dried fruits continue scarce and high, with no immediate relief in sight. The market for nuts is steady, and quotations are slightly firmer. It is confidently anticipated that prices for peanuts will possibly rise on account of the small Virginia and Texas crop realized last year. Almonds are quiet, buyers holding off for new crop prices to be named. Filberts are showing an easier tendency due to lack of demand.

Present prices are as follow:

<b>Dried Fruits:</b>	
Candied Peels (futures)	
Citron	0.33
Lemon	0.25
Orange	0.27
<b>Currents:</b>	
Filberts, fine, loose, cleaned	0.18 0.21
Do., packages, cleaned	0.20 0.22 1/2
Dates, Loose Halloween	0.13
Khadrawee	0.09 1/2 0.11
Figs, California bricks	0.11 1/2 0.12
Do., fancy tables	0.16
Spanish mats	2.40
Franco, California	0.12 1/2 0.14
Santa Clara	0.10 0.11 1/2
<b>Raisins:</b>	
Malaga, table box of 22 lbs. 3-crown clusters	2.90
Muscatels (loose) 2-crown	0.11
Muscatels (loose), 3-crown, lb.	0.11 1/2
Cal. Seedless, 16 oz.	0.12 1/2 0.14
Choice seeded, 16 oz. layers	0.12
Valencias, 4-crown layers	0.11
<b>Evaporated Fruits:</b>	
Apples, choice, winter, 25-lb. boxes	0.13
Apples, choice winter, 50-lb. boxes	0.13
Apricots (old crop)	0.11 0.19
Slabs	0.19
Choice, 25's, faced, new crop	0.23
Peaches, choice	0.11 1/2 0.13
Pears, choice	0.15
<b>Nuts:</b>	
Almonds, Tarragona	0.20 0.21
Do., shelled	0.20 0.41
Brazils (1916 crop)	0.21 0.22
Cocanuts, 100 in bag	7.25
Filberts (Sicily)	0.17 0.19
Hickory Nuts	0.10 0.12
Peanuts	0.16 0.17 1/2
Peanuts	0.15 0.16
Pecans	0.20 0.21
Do., "Paper shell," large	0.40
Do., Shelled	0.75 0.80
Walnuts, Grenoble	0.18 1/2 0.20 1/2
Do., Marbot	0.13 0.16
Do., Shelled	0.51 0.53

**SUGAR.**

The sugar market has been quite steady of late and with the firmness displayed by futures it does not seem likely that prices will drop for some time. With the advent of the preserving season, trade opinion seems to look for higher quotations. Reports from Washington say that the Senate has eliminated the proposed ad valorem duty on sugar and coffee, and in place adopted the plan of taxing coffee and tea. The Cuban government has given notification that after November 1st a tax of 20c per bag will be placed on sugar—that is about 1-16c per lb. This tax will not be imposed, however, if prices fall below 7c.

Current quotations follow:

Standard or fine, bags, 100-lbs.	Basis, \$ 8.35
Do., barrels	8.40
Do., gunnies, 5-20s.	8.50
Do., gunnies, 10-10c	8.55
Do., cartons, 20-5s	8.60
Do., cartons, 50-2s	8.65
Light yellow, bags, 100-lbs.	7.95
Do., barrels	8.00
Brilliant yellow, bags, 100-lbs.	7.95
Do., barrels	8.00
Dark yellow, bags, 100-lbs.	7.75
Do., barrels	7.80
Extra ground (icing), barrels	8.55
Do., boxes, 50-lbs. bulk	8.75
Do., boxes, 25-lbs. bulk	8.85
Do., cartons, 50-ls	9.85
Do., cartons, 20-ls	10.10
Powdered, barrels	8.45
Do., boxes, 25-lbs. bulk	8.65
Do., boxes, 25-lbs. bulk	8.85
Do., cartons, 50-2s.	9.15

**THE GRAIN MARKETS.**

An easier feeling developed on the Winnipeg Exchange at the beginning of last week and the cash situation improved. Some United States buyers were in the market, but sales were small. The allied government also came in as buyers of all grades down to No. 5, but even so there seemed to be no life in wheat. Most of the business passing at the end of the week was in cleaning up of old contracts.

Chicago has been in a bearish mood all week and prices, with a few exceptions declined a little each day. Favorable crop reports were the main factors in the drop, while the closing of New York's port also helped the bears. Its opening two hours later had the usual reaction and wheat steadied. Closing prices were considerably lower than a week ago.

The local market has been through a rather stagnant week and while business was fairly steady, its volume was small. Buyers seem to be well supplied and are only taking up what they find they need. The easy undertone at Chicago and Winnipeg operates for lower prices here. Manitoba feed wheat sells at \$1.19 and feed barley at \$1.15 to \$1.18. Dealers are awaiting the action of the governments as regards food control so that they are not very anxious to operate in the present market.

The local cash grain situation is as follows:

<b>Grains: (Wheat prices are nominal).</b>	
Spring wheat, Manitoba No. 1	2.71 2.73
Do., No. 2	2.60
Do., No. 3	2.34
Do., No. 4	2.27
Winter wheat, Ontario No. 2	2.36 2.39
Feed wheat, Manitoba	1.49
<b>Oats:</b>	
No. 2 C. W.	0.78
Do., No. 3 C. W.	0.75
Do., Extra No. 1 feed	0.74
Do., No. 2 feed	0.73
Ontario Oats, No. 2 white	0.70 0.73
Do., No. 3	0.69 0.71
Barley, No. 4 C. W., Rejected	1.22
Do., feed	1.15 1.18
Corn, American, ex-track	1.60

**FLOUR AND FEED.**

The flour market is suffering from a severe slump this week and prices have been steadily declining. Wheat is on a bear market and as quotations on both the Winnipeg and Chicago Exchanges have been going downwards steadily it is only natural for flour and other wheat products to follow. Spring wheat grades were marked down \$1.50 per bbl, during the week, which makes a total decline of \$3.40 since May 11th, when this variety touched its topmost mark of \$16.50. Winter wheat flour dropped \$2.00 per bbl, a nett decline of \$3.00 since May 11th. The market at present is easy and no activity is anticipated for some time. Most of the millers have government contracts to fill which will keep them busy, even if trade does fall off, a likely state of affairs as under present conditions few consumers are inclined to make purchases, and jobbers, while keeping good stocks on hand, are not at all desirous of loading up. "Under present conditions," said one miller, "mills are not in a position to take up futures in wheat with the result that they will not sell flour beyond the limit justified by their stocks of cash wheat."

Although oats have also declined during the week, the price of rolled oats is firmly settled midway between last week's quotations as millers are heavily oversold.

All lines of feeds followed the trend of flour and were marked down \$2.00 during the week. Trade is small and the market is very easy.

Quebec reports on the condition of the hay crops as very favorable, the winter killing being much lighter than usual. Producers seem to be quite anxious to clear out their 1916 stocks, a move which would seem to indicate that a good yield is confidently expected from the new crop. Export trade to the United States is very limited, due mainly to the fact that prices there are not attractive enough to bring Canadian sellers into the market.

Prices follow:

<b>Flour:</b>	
First patents	per 98-lb. bag, 6.55
Second patents	6.30
Strong Bakers	6.20
Rye Flour	5.70
Winter wheat flour, 90 per cent	6.50 6.65
Corn Flour, bbls.	12.00
(An extra charge of 30c is made for flour bbls.)	
<b>Cereals:</b>	
Rolled Oats, 90 lb. bag	4.35 4.50
Oatmeal, 98-lb. bag	4.30
Rolled wheat, 100-bbl.	4.25
Bag	5.00
<b>Feeds:</b>	
Bean	Per ton, 38.00
Shorts	44.00
Middlings	46.00 49.00
Moullie, pure grain grades	54.00
Do., mixed	50.00 51.00
Barley feed	46.00
Crushed Oats	48.00

**SMART WOODS LIMITED CANADA**

Manufacturers of

**Jute and Cotton Bags, Tents, Clothing, Etc.**

FACTORIES IN

**MONTREAL, TORONTO, OTTAWA, WINNIPEG**

Oatfeed	32.00
Hay, best grades	14.00
Do., No. 2 ordinary	13.00 13.50
Do., No. 3 Timothy	11.50 12.00
Clover, mixed	10.50 11.00
Peas, per bush.	3.90 4.00
Buckwheat, per bushel	2.70 2.75

**TEA AND COFFEE.**

Tea is in a very strong market and while prices f.o.b. Japan points, are the same as last year, yet transportation costs have increased, with the result that quotations here are at a higher level, the goods costing from 2c to 3c more to lay down here than in 1916. Shipments are small as yet and unless there is relief for the shortage of ships we may find ourselves out of tea supplies according to a local dealer. The two cent tax which has been placed upon tea by the American Senate will not affect local markets to any extent as Canada buys directly from Japan and China. The imports of tea from these countries have been on the increase of late years so that even if our buying markets in India are practically shut down we are not altogether confined to grades of tea that are unknown to us.

Coffee will undoubtedly go up in price as soon as the American tax of one cent takes effect. As our coffee supplies come through American hands we will probably feel the imposition of the tax.

Prices follow:

<b>Tea.</b>	
	Per lb.
Japan, Common	0.19 0.20
Do., Medium	0.23 0.25
Do., Good	0.28 0.30
Do., Choice	0.35 0.40
Do., Siftings	0.11 0.12
Do., Fannings	0.13 0.14
China, Black, Common	0.23 0.24
Do., Good	0.30 0.32
Do., Choice	0.32 0.33
Do., Finest	0.34 0.37
Do., Green, Common	0.18 0.19
Do., Medium	0.19 0.20
Do., Pealeaf	0.24 0.27
Do., Pinhead	0.32 0.34
Ceylon & India, Black, Common,	
Pekoe	0.42 1/2 0.44
Do., Good Pekoe	0.46 0.47
Do., Pekoe, Choice	0.47 0.50
Do., Orange	0.50 0.52
Do., Broken	0.52 0.55
Do., Broken, Choice	0.55 0.60
Do., Broken, Very Choicest	0.60 0.65
Coffee, Santos	0.14 0.17
Do., Rio	0.13 0.16
Do., Maracaibo	0.17 0.18
Do., Java, roasted	0.33 0.34
Do., Mocha, roasted	0.35 0.36
Do., Santos, roasted	0.20 0.21
Do., Rio, roasted	0.17 0.18

**RECEIPTS OF FLOUR AND GRAIN.**

The following are the Montreal receipts of flour and grain for the six days ending June 1st:

Wheat, bushels	1,273,425
Oats, bushels	476,504
Barley, bushels	148,390
Corn, bushels	136,787
Rye, bushels	37,951
Meal, sacks	2,125
Hay, bales	3,107
Flour, bags	39,301

Canada's exports of forest products during the twelve months ending October were valued as follows: 1916, \$53,899,809; 1915, \$47,808,603; 1914, \$42,621,760.

**LIVE STOCK.**

The receipts of live stock for the week ending May 26 amounted to 1,250 cattle, 250 sheep and lambs, 2,200 calves and 2,700 hogs, as compared with last week's offerings of 1,600 cattle, 375 sheep and lambs, 2,600 calves and 2,400 hogs. Because of the more liberal supplies of cattle coming forward here, especially from the Canadian Northwest, some twelve loads of ranchers being on the market Wednesday, an easier feeling developed and prices slumped 25c per cwt. With this reduction buyers seemed more disposed to operate and as a result all offerings were pretty well cleaned up.

The feature of the small meat trade was the stronger feeling in the market for calves and prices scored an advance of \$2.00 per 100 lbs. This was attributed to the keener competition for supplies between buyers for local account and those operating for American account and quite an active trade was done at \$9 to \$13 per 100 lbs.; five car loads being shipped to the United States. The offerings of spring lambs were a little larger, for which the demand was fair and sales of a few extra choice ones were made at \$12 and the balance at \$7 to \$10 each as to quality. A few small lots of old sheep brought from \$11.10 to \$13 per 100 lbs. The market for hogs was weaker and prices declined 65c per 100 lbs. At this reduction the demand was good and sales of selected lots were made at \$17.50 to \$17.75 per 100 lbs. weighed off cars.

Local prices are as follows:

	Per 100 lbs.	
<b>Steers.</b>		
Choice	11.75	12.25
Good	11.25	11.50
Medium	9.75	10.00
Common	9.25	9.50
<b>Butchers' Cows.</b>		
Choice	10.00	10.50
Good	9.50	9.75
Medium	9.00	9.25
Common	8.75	8.75
<b>Butchers' bulls.</b>		
Choice	11.00	11.25
Good	10.50	10.75
Medium	10.00	10.50
Common	9.50	9.75
<b>Hogs.</b>		
Choice selects	17.50	17.75
Good selects	17.25	17.50
Sows	15.50	15.75
Stags	8.50	8.75
<b>Sheep.</b>		
Ewes	12.50	13.00
Bucks and culls	11.50	12.00
Yearlings lambs	14.50	15.50
Spring lambs, each	7.00	12.00
<b>Calves.</b>		
Milk-fed, choice	12.00	13.00
Milk-fed, good	10.00	11.00
Common stock	8.00	9.00

**FISH MARKETS.**

Business in fish has been very active during the past week due to the Spring Ember days occurring on Wednesday, Friday and Saturday. All kinds of reasonable fish are in good supply and prices are exceptionally low. On such staple lines as haddock, cods, herrings, quotations are at a very low level and with such a state of affairs prevailing there is absolutely no reason why a large consumption of fish should not take place as it is fully 50% to 80% cheaper than other foodstuffs. Fair quantities of Gaspe Salmon have been received and sold readily at good prices. Lobsters are now at the height of their season and selling on the contrary very low. There has been a good demand along the pickle lines for salmon and trout but other grades are pretty well cleaned out. Trade in oysters, both bulk and shell, is up well with prices steady.

Current quotations follow:

	Per lb.	
<b>Fresh Fish:</b>		
Pacific Halibut	0.17	0.18
Steak Cod	0.08	0.09
Market Cod	0.06	0.07
Haddock	0.06	0.07
Carp	0.11	0.12
Dore	0.14	0.15
Whitefish	0.15	0.16
Lake Trout	0.14	0.15
Brook Trout	0.30	0.30
B. C. Salmon	0.18	0.18
Perch	0.09	0.09
Gaspereaux (each)	0.03	0.03
Bullheads	0.12	0.12
Flounders	0.07	0.07
Shad (each)	0.50	0.60
Pike	0.11	0.12
<b>Fresh Frozen Sea Fish:</b>		
Halibut	0.15	0.16
Mackerel	0.09	0.10
Salmon, B. C. Red	0.13	0.15
Do., B. C. Pale	0.10	0.11
Salmon, Gaspe	0.17	0.18
Cod, steak	0.08	0.09
Haddock, fancy	0.06	0.06½
Smelts, No. 1 and No. 1 large	0.15	0.20
Tommy Cods, bbl.	1.50	1.50
Herring	0.05½	0.06

**Fresh Frozen Lake Fish:**

Lake Trout	0.14	0.15
Whitefish	0.14	0.15
Perch	0.10	0.11
Dore	0.12	0.13
Pike	0.09	0.10
Eels	0.10	0.10
<b>Smoked Fish:</b>		
Finnan Haddies	0.10	0.11
Finnan Haddies, finest, boned	0.18	0.18
Finnan Haddie Fillets	0.15	0.16
Digby Herrings, p. bundle of 5 boxes	1.00	1.00
Smoked Boneless Herring, 10-lb. box	1.40	1.40
Kippers, 40s and 50s, per box	1.75	2.00
<b>Salted and Pickled Fish:</b>		
Herring (Labrador), per bbl.	9.00	9.00
Salmon (Labrador), per bbl.	19.00	19.00
Salmon (B. C. Red)	16.00	16.00
Sea Trout, red and pale, per bbl.	15.00	15.00
Green Cod, No. 1, per bbl.	14.00	14.00
Mackerel, No. 1, per bbl.	21.00	21.00
Salt Eels, per bl.	0.08	0.08
Codfish (Skinless), 100-lb. box	9.50	9.50
Codfish (Boneless), blocks, lb.	0.10	0.10
Codfish, Shredded, 12-lb. box	1.80	1.80
Strip Cod, boxes, 30-lb. per lb.	0.15	0.15
<b>Shellfish:</b>		
Lobsters, medium and large, lb.	0.25	0.25
Prawns, Imperial gallon	3.00	3.00
Shrimps, Imperial gallon	2.50	2.50
Scallops	3.00	3.00
Oysters, selected, per gallon	2.00	2.00
Oysters, ordinary, per gallon	1.50	1.50
Oysters, Malpeque, choice, per bbl.	12.00	12.00
Oysters, Malpeque, shell, ordinary, per bbl.	10.00	10.00
Oysters, Cape Cod, shell, per bbl.	10.00	10.00
Clams, medium, per bbl.	12.00	12.00

**WINNIPEG GRAIN INSPECTIONS.**

The following are the figures for the grain inspections at Winnipeg for the six days endings June 1st:

No. 1 Northern	227
No. 2 Northern	519
No. 3 Northern	687
No. 4 Northern	327
No. 5 Northern	179
No. 6 Northern	74
Feed wheat	31
Rejected	62
No. Grade	711
No. 4 Special	62
No. 5 Special	56
No. 6 Special	30
Winter Wheat	1
<b>Totals</b>	<b>3,030</b>
Last year	2,835
Oats	878
Last Year	843
Barley	96
Last Year	65
Flax	168
Last Year	66

**THAT CHEESE COMMISSION.**

Prof. Ruddick, Dominion Dairy Commission, has given out the following statement in order to clear up the muddled situation which has grown out of the appointment of the commission to fix a price for the output of Canadian cheese, which will be purchased in its entirety by the Imperial Government. Prof. Ruddick says that "the whole matter is still in the air and nothing can be done until further instructions are received from the Imperial Government." The statement referred to follows:

"The matter was first discussed last October, when it was pointed out that the proper time to make such arrangements was between the first of January and the end of February, during which period the cheese trade in Canada was less active than at any time during the year.

"Nothing was heard of the matter until recently, when it was proposed that the British Board of Trade should purchase the entire exportable surplus of Canadian cheese for the season 1917 and it was suggested at the same time that a representative of the Canadian cheese trade and someone to represent the Canadian Government should act on a commission with the representative of the British Board of Trade to carry out the details of the purchase and shipment. If the arrangement goes through it is proposed that the cheese should be handled through the usual channels, purchased at a price agreed upon and that the business will be conducted along the regular lines. Persons or firms now in the trade will be able to carry on business as they do at present. The plan offers one very important advantage in that the Admiralty would become responsible for the overseas shipment of the cheese and whether the cheese were shipped regularly or not, the producers would receive their money. In the face of the existing very serious shipping situation, that is a most important consideration.

"Many statements have been made as to the price

which it is proposed to fix. All that is pure guess work because no price or prices have been considered as yet. It is needless to say any price or prices must be fair and reasonable for both parties concerned. There is no reason why those interested in the manufacture of cheese should have any misgivings over this matter. The proposal so far as it has gone is decidedly in the interests of the cheese industry of this country because it deals with the shipping difficulty and that is an aspect of the situation which is far more serious than is generally realized. Until, such time as the commission receives further instructions, it has no advice to give and buyers and salesmen must act according to their own judgment as to whether they should do business or not."

**THE BAN ON CANADIAN CATTLE.**

The British Minister of Agriculture when questioned in the House of Commons in regard to the circumstances which led to the prohibition of the importation into the United Kingdom of cattle from Canada, made the following statement:

"Strong representations on this subject, but more particularly concerning the stigma cast on Canadian livestock, were made to me by the Canadian ministers during the recent visit here. Canada disputes the genuineness of the cases on which prohibition was originally founded, and without doubt the Dominion has been almost entirely free from foot and mouth disease and pleuro-pneumonia. Canadian feeling therefore, resents the imputation of infection. This prohibition of importation cannot, as I am advised by the chief veterinary officer of the board of agriculture, be justified on the ground of health. Cattle bred and reared in Canada and leaving that country for the first time by direct shipment to a British port ought not to be excluded under the Diseased Animals Act of 1896. I cannot say whether or under what conditions, Canadian cattle of the kind indicated might hereafter be permitted to enter this country except for slaughter at port. When farmers here are being asked to reduce their livestock, permission is plainly impossible, but the prohibition rests largely upon the agricultural policy of the United Kingdom, rather than on the risk of disease."

**WESTERN CROP REPORTS NOT SO SATISFACTORY.**

The second crop report of the Manitoba Free Press for the present season is not quite so satisfactory as the first which was issued on May 15. Since that date the weather has been almost continuously dry and cold, with exceptionally heavy frosts at night, and owing to this the crop has not made the progress it should have done. But warm moist weather from now on would largely make up for the damage done, though there will have to be some re-seeding of barley and flax.

Speaking generally of the three provinces, says the report, what is needed is moisture and heat.

In Manitoba wheat was three or four inches before frost came, and a considerable percentage of fields frozen to the ground are just coming up again. Stooling has been pretty good under these conditions, and this will help recovery, but a number of reports report wheat not yet stoolled.

The report estimates a twelve per cent increased acreage seeded to oats, an increase of 167,641 acres. Barley shows an increase of 10 per cent, rye, 5 per cent, and flax stationary. Manitoba farmers badly need rain. High prices have cleaned out practically all stocks of wheat in farmers' hands.

Conditions in Saskatchewan are slightly better than in Manitoba in point of moisture, but worse in regard to frost damage. Wheat has been very generally cut to the ground by frosts, but stooling is good to fair at the majority of points reporting. Oats acreage is increasing about 15 per cent, and barley, perhaps 20 per cent. There is a 10 per cent increase in flax acreage, but some of this will have to be re-seeded. Only three points reporting in the province say "no rain is needed." Most districts want it very badly. There is a good deal of wheat still in farmers' hands.

In Alberta conditions are very much better, wheat being up four or five inches and generally well stoolled, with only two points reporting need of rain. There is a 20 per cent increase in oats acreage.

In conclusion, the report says: "There is no doubt that 24 hours' soaking rain followed by a week of warm weather would put an entirely different complexion on the reports, but at present they have to be given as they come. It is well to lay to heart the statement of one of the most experienced farmers in the West, who said, to-day: 'I have farmed for thirty-six years, and I never knew a crop irreparably damaged by June 4.'"

## COAL SHIPMENTS FROM U. S.

Little coal is being shipped from United States ports, according to Chas. H. Jenkins, president of the Jenkins Steamship Line of Cleveland, Ohio, who arrived at Port Arthur last week. Shortage of cars and labor is the cause of the lack of movement, according to Mr. Jenkins.

## REAL HELP FOR THE FARMERS.

Buffalo, Rochester & Pittsburgh was one of the first, if not actually the first, of the railroads to get its work of increasing farm production on a working basis. It has three tractor plows working and more on the way. Each plows six acres or more a day, at cost to the farmer of \$1.50 an acre, compared with \$3 with teams. The company has furnished seed potatoes free to clubs of employees organized to cultivate strips along right of way. The officers expected perhaps 200 or 300 responses to this offer and received over a thousand—Wall Street Journal.

## A NEW SEAPORT.

A new seaport recently built by the Government on the east side of the Island of Luzon will shorten the voyage to the Philippines from American ports by three to five days. Manila, the destination heretofore of all army transports and most of the commerce of the islands, lies on the west coast of Luzon, and while convenient for Spanish trade sailing eastward, it involves an unnecessary trip around the coast for American ships. The new port is located at a place called Hondagua, meaning "deep water", which is also the terminus of a new railroad from Manila, says Popular Mechanics. The improvements made by United States engineers have laid the foundations for a great modern port, from which passengers can reach Manila in a few hours by the new railroad, and the improved means of transportation will open up to commerce 200 or 300 miles of coast hitherto practically isolated and thousands of acres of rich agricultural lands, producing hemp and coconuts in profusion. The harbor at Hondagua is deep, extensive, and almost landlocked by a large island lying across its mouth.

## BANKING AND BUSINESS AFFAIRS IN THE UNITED STATES.

(Concluded from page 4).

and of statesmen. But it would be a plain case of ignoring facts not to realize that the war has reached a stage containing grave possibilities in the effects upon business. This is not to intimate the remotest probability of a German victory — such a thing is absolutely unthinkable. But the progress which the Allied powers have of late been making may be checked for a time, and with unfavorable effects upon business in this country. It would be a grave mistake not to take note of such a contingency. But this would result in no permanent injury to business nor to the Allied cause. Probably the greatest danger here has been the belief that the war was soon to end; that the mere entrance of the United States into the contest, the making of a certain number of patriotic speeches, and the contribution of a few billions of money, would speedily end the war. The late Civil War was to end in six days in the belief of those who at its beginning raised the cry "On to Richmond!"

But while the American people may have underestimated the size of the undertaking on which they have entered, the authorities at Washington are under no illusions about the seriousness of the matter; nor are the great bankers and business men of the country deceived as to the probable cost of the struggle in money and life. The early optimism of the people in reference to the war, which doubtless arose from the feeling of confidence in their own strength which is a national characteristic, will gradually give way to a realization that the honor and the existence of America are involved in a struggle which will put our endurance to the severest test it has ever had.

## PERSONALS.

At a meeting of the Board of the Dominion Steel Corporation, held a few days ago, J. K. L. Ross, of Montreal, and Sir William D. Reid, of Montreal and St. John's, Newfoundland, were elected directors.

## RAILWAY EARNINGS FOR APRIL.

In spite of the rising costs of operating expenses the earnings of the Canadian Pacific Railway for the month on April showed the largest gross results ever reached, for that month by the company. As the three months' showing to March 31st had also been the best in the company's history, it follows that the figures for the four months to April 30th also represent a new high level.

Gross earnings for April were \$1,474,213 higher than gross for April a year ago, an increase of 13.5%. Working expenditure expanded at a slightly higher rate, the increase being \$1,032,971, or 14.4%. The gain in net profits, however, remained substantial at \$441,241, or 11.8%.

Taking the returns for April back to 1910, next to the report now issued the best showing made by the company was in 1912-1913. Gross earnings in April, 1912, were about \$600,000 less than for April, 1917, but net earnings in April, 1913, only \$59,000 less.

Comparisons:

April.	Gross.	Net.
1917	\$12,355,519	\$4,174,977
1916	10,881,306	3,733,735
1915	7,455,859	2,687,755
1914	9,720,461	3,244,865
1913	11,750,913	3,945,078
1912	11,301,349	4,115,752
1911	8,672,025	3,156,975
1910	7,985,230	2,981,111

For the first four months of the company's fiscal year, gross earnings are \$4,797,702, or 12.4% higher than a year ago but increased operating expenditure has reduced the gain in net to 8.6% the increase in dollars being \$990,005. The best previous showing for the period was in 1913.

Comparisons:

Four months.	Gross.	Net.
1917	\$43,444,646	\$12,529,822
1916	38,646,944	11,539,817
1915	28,153,554	8,780,017
1914	34,678,311	8,815,855
1913	42,290,099	11,982,938
1912	38,081,357	11,300,878
1911	29,588,447	8,114,366
1910	27,878,045	8,495,900

## G. T. R. APRIL EARNINGS.

Net earnings of the Grand Trunk Railway for the month of April showed a decrease of \$286,052, or 23%, as compared with the corresponding month last year. This compares with an increase of \$64,034, or 7% for the month of March. The following are the figures:

Gross April, 1917	\$3,778,421
Expenses	2,823,750
Net	954,671
Net April, 1916	1,240,723
Decrease	286,052

## NEW YORK SHIPPING DECREASES.

Twenty-one ships less than in April arrived at New York port in May. There were 428 arrivals with a total tonnage of 1,099,433, as compared with 449 ships with a total tonnage of 1,149,740 for the month of April.

Forty-five more ships sailed from New York, however, during May, with a total tonnage of 1,155,508 as compared with 383 vessels of 1,043,466 tons for the previous month.

American vessels arriving during May number 127, six more than April, while 134 American ships left port, as against 107 vessels of American registry during April.

Among the ships of all other nationalities which arrived here last month were: British, 144; French, 12; Scandinavian, 94, and Dutch, 12; as compared with, British, 141; French, 12; Dutch, 24, and Scandinavian, 104, for the month of April.

The principal departures for May besides American were: British, 136; French, 11; Scandinavian, 77, and Dutch, 24, as compared with British, 140; Dutch, 17; French, 9, and Scandinavian, 71, for April.

## SOME SPEED.

By the way, the engines for that submarine at the Portsmouth navy yard, begun under the Taft Administration, have arrived and are now being installed. —Market letter of Hubbard Bros. & Co., New York.

**ANCHOR-LINE**  
**DONALDSON LINE**

PASSENGER SERVICE

Between

MONTREAL AND GLASGOW

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

**CUNARD LINE**

PASSENGER SERVICE

BETWEEN

MONTREAL and LONDON

(Calling Falmouth to land Passengers)

AND

MONTREAL and BRISTOL

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

**DOMINION COAL COMPANY**  
Limited  
DOMINION and SPRINGHILL  
BITUMINOUS STEAM and GAS COALS  
GENERAL SALES OFFICE  
118 ST. JAMES ST. MONTREAL

## DECREASE IN CANAL SHIPPING.

Decreases are shown in almost every feature of the shipping through the Lachine canal during May when compared with May of 1916. Grain shows a decrease, the total for May, 1917 being 218,512 tons almost fifty per cent., cheese of 5,801 boxes, and coal of 27,330 tons. Butter alone shows an increase. The total tonnage operated was 452,407 as compared with 523,999 last year, and the number of trips through the canal decreased from 968 to 936.

The total for each of the different grains shipped through the canal during the month in bushels is as follows:

	1916.	1917.
Wheat	1,865,468	1,256,295
Corn	185,340	178,071
Oats	1,298,615	1,026,500
Barley	487,206	197,200
Rye	132,000	.....
Flaxseed	99,598	52,000

Totals . . . . . 4,068,227 2,710,066

The decrease in produce was equally marked with the exception of butter, which increased from 308 packages to 431. Eggs decreased from 4,186 to 2,146, and cheese from 18,649 to 12,848. Coal also showed a decrease, the total for May, 1917 being 218,512 tons as compared with 245,842 for May, 1916.

The trips through the canal during the past month were 936, a decrease of 32, as compared with the same month of last year; the tonnage operated was 452,407, a decrease of 71,592 tons, and the cargo tonnage was 377,003, a decrease of 29,165 tons. The passengers through the canal, however, increased from 1,436 to 1,826. The number of light trips through the canal was 404 in 1916 and 383 in 1917.

## ALGONQUIN PARK.

The highest point in Ontario is Algonquin Park, 2,000 feet above the level of the sea, 2,500,000 acres of forest land filled with lakes and rivers offer an ideal territory to the angler. The business man can find rest and recreation here and will quickly regain health and strength. Good hotel accommodation.

For illustrated descriptive literature and full particulars apply to M. O. Dafoe, 122 St. James Street, Montreal, Que.