

The Journal of Commerce

Vol. XLI., No. 23

MONTREAL, TUESDAY, JUNE 6, 1916

Price Ten Cents

The Journal of Commerce

Devoted to

CANADIAN INDUSTRY, COMMERCE
AND FINANCE.

Published every Tuesday Morning by

The Journal of Commerce Publishing Company,
Limited.

35-45 St. Alexander Street, Montreal.
Telephone: Main 2662.

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

Subscription price, \$3.00 a year.
Single copies, 10 cents.
Advertising rates on application.

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Special Articles

Affairs in Newfoundland.

From a St. John's Correspondent.

The Paucity of Prizes.

By J. W. MacMillan.

Government Ownership and Control of Railways.

By W. W. Swanson.

Conditions in the West.

By E. Cora Hind.

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Newfoundland and Confederation

WE publish to-day, from a correspondent at St. John's, a very interesting review of affairs in Newfoundland, which shows that the ancient colony is enjoying a large measure of prosperity. Although the developments of recent years have given Newfoundland a greater diversity of interests than formerly prevailed, the fisheries are still the great industry of the colony. Abundant catches and good prices are the factors which always make for prosperity in the island, and both these have been present in recent months. The revenue returns are so flourishing that the Finance Minister of the colony feels able to look with indifference upon the loss of \$400,000 of Customs duties through the adoption of a prohibitory liquor law, which will come into operation at the beginning of the new year. An incident that has occurred very recently has to some extent checked the enthusiasm of the Newfoundlanders concerning the markets for their fish. Portugal is a large consumer of Newfoundland fish, and, like other countries needing the goods, has been paying high prices for them. Recently news has come that as a war measure Portugal has fixed maximum prices for fish, and as these prices are materially below those which have lately prevailed, merchants who bought the fish with the expectation of selling in Portugal at the market prices are likely to lose heavily, and further shipments to the Portuguese markets will probably be much curtailed. This phase of the commercial situation, however, while causing much anxiety among those immediately concerned, will hardly affect the general condition of prosperity so well described by our correspondent.

Probably the most interesting feature of our correspondent's letter is that in which he tells that a very marked change is noticeable in the feeling of the people on the question of Confederation with Canada. In the past the hostility to Confederation has been so strong that at every general election the rival political parties have vied with one another in their anti-union pronouncements. Even yet, it does not appear that any political party is ready to assume the responsibility of declaring in favor of Confederation. Each, we imagine, will desire to watch the other and sound public opinion before committing itself. But among the people generally, our correspondent says, there is a decided disposition to view the idea of union with more favor.

It has long been the policy of Canada—a wise policy we believe—to make no move towards the bringing in of Newfoundland, further than to let the fact be known that whenever the people of the old colony are disposed to take up the question they will find the Canadians willing to meet them in a friendly spirit. The

last negotiation between the Dominion and Newfoundland failed because of difference of opinion respecting the financial terms. When the moment arrives for a renewal of negotiations it is to be hoped that no such difficulty will again occur. It will not, if on each side the question is approached in the right spirit. For either party to assume that union is necessary to the other, or particularly in the interest of the other, would be a grave mistake. Union is not necessary to either party. Each can live and flourish without the aid of the other. Neither party is in a position to dictate unreasonable terms. But there are broad Imperial reasons which favor the union of all British North America under one government. Canada, when the right moment for action arrives, will be willing to give Newfoundland as favorable financial terms as are given to any of the Provinces now forming the Confederation.

Unwise Speaking in London

SOME of the Canadian representatives abroad might do well to remember the old maxim respecting the unwisdom of too much speaking. A London cablegram reports that at a reception given a few days ago to representatives of the Overseas Dominions, the new Agent-General of British Columbia, Sir Richard McBride, in referring to Imperial problems, "went so far as to hint that if the Overseas Dominions were not treated as they had a right to expect at the hands of the Mother Country, the solidarity of the Empire would be endangered." In thus speaking Sir Richard was repeating with increased emphasis something that had been said a few weeks before on a similar occasion by Sir George Perley, the acting High Commissioner for Canada. We are certain that the public will agree with us when we say that such minacious utterances as those attributed to Sir Richard McBride do not represent any considerable volume of public opinion in any part of Canada. They imply a discontent with the present British connection. No such discontent exists. It is one thing to desire that all parts of the British Empire shall be brought into close relations. Every patriotic British subject must entertain that wish and be willing to listen with interest to every proposal that may be offered—at a proper time—for the furtherance of that good end. But it is a very different thing—and we think a very reprehensible thing—for men in official position to threaten the British Government and people with pains and penalties unless they adopt some scheme of union which nobody has ever been able to put into definite form. Discussion of that kind, which would be regrettable at any time, is par-

ticularly open to censure when used in the midst of a great war, when the energies of British statesmen are properly employed in the great work of saving the Empire, rather than in fanciful schemes for reorganizing it.

One is not surprised to learn from the cabled report that, following Sir Richard McBride, Sir Charles Lucas expressed regret at the remarks of the British Columbian Agent. Sir Charles Lucas is an old Colonial Office man, now retired, of great ability and wide experience. Probably no man in England is better able to understand the Imperial problems. In terms very polite and complimentary to Canada, describing this country as the "Princess Royal" of the Dominions, he intimated that if Canada desired any constitutional change she should give a lead, should make overtures. Sir Charles, an accomplished author and experienced man of affairs, knew well how to make his point quietly and smoothly. Translated into blunter English, his speech meant that if Canada desired constitutional changes so much that she must ask for them in this time of crisis, the least that Englishmen should expect was that Canada should find out what she wanted and put her desire into some definite, intelligible and official form. When Canada has done this and her requests have been refused by the Government and people of the United Kingdom, it will be time enough for her agents to go into the London clubs to threaten the Imperial authorities concerning what may happen "if the Overseas Dominions were not treated as they had a right to expect at the hands of the Mother Country."

If discontent with the present Imperial relations existed in Canada beyond the chairs of a few writers aiming at sensationalism, it would surely find expression in the only body fully entitled to speak for the Canadian people—the Parliament of Canada; and if there were any scheme of closer union understood by the Canadian people and desired by them, unquestionably the Canadian Government and Parliament would have formulated their requests for the proposed constitutional change. No such action has been taken by our Parliament, or proposed by the Government, for the simple reason that, apart from a few faddists, nobody in Canada is troubling himself at this time over such questions.

The U.S. Presidency

THE political situation in the United States grows more interesting as the convention days of the two great parties approach. Unless conditions arise in which a "dark horse," but little heard of now, will be brought to the front, the Republican race will be between ex-Senator Elihu Root, ex-President Theodore Roosevelt, and Justice Hughes, of the United States Supreme Court. Mr. Root, although a man of the highest ability and fitness for the office, does not develop increased strength. Mr. Roosevelt, on the other hand, seems to be growing in popularity. The Progressives who followed him in his bolt of 1912 are still largely with him, and many of the old guard of Republicans, even though they feel that he is responsible for the wrecking of the party at that time, are now disposed to accept him as the only candidate who can bring a Republican victory. Justice Hughes occupies the interesting position of a man who has persistently refused to authorize the use of his name as a candidate, yet is regarded as one, and one who daily grows in strength. He maintains absolute silence on all the issues of the day; he

says not a word concerning the coming election except to forbid the use of his name. It appears to be taken for granted, however, that if events so shape themselves as to produce a pretty general demand for him at the Republican convention, he will not refuse a nomination. There will undoubtedly be a great Hughes party in the convention. There will in all probability come a moment when all other names will be dropped—except that of Col. Roosevelt. It is barely possible that, in view of this Hughes strength, Roosevelt will bow to the popular will and declare his readiness to support Hughes. Such a development would secure the nomination for Justice Hughes under conditions that would give him tremendous strength, and make his election in November highly probable. It must not be forgotten that, while the Democrats won at the last election, Mr. Wilson represented only a minority of the voters. It was the division of his opponents into two parties that gave him the victory. Let these two divisions be heartily re-united and the fight between their chosen candidate and Mr. Wilson will be a very keen one, with prospects rather favorable to a Republican victory. But can they be so re-united? Col. Roosevelt, more than ever, is the important factor in the situation. There is a growing feeling that there is only one candidate whose nomination will be acceptable to him, and that one Roosevelt himself. If the Hughes movement becomes so strong as to promise control of the convention, the chances are that Roosevelt will find some reason for again withholding his support from the Republican ticket, and will again manifest his intention to take the field as a third candidate. A prospect like this would have much to do with the decision of Justice Hughes. While he might be induced to give up his judgeship and accept the nomination of a united party, he would certainly refuse a nomination from a section of the party, which would have small chance of success at the polls. If Roosevelt manifests a disposition to insist on running, Hughes' name will have to be dropped. Then, as between Roosevelt and any other possible candidate, the Republican managers may come to the conclusion that their only hope lies in accepting Roosevelt and any other possible candidate, the stances might receive the nominal approval of the party generally, but there would be an under-current of indifference, if not of hostility, that would cost him many Republican votes in November.

On the Democratic side there are neither complications nor doubts concerning the candidate. The only name that will be seriously placed before the convention is that of President Wilson. He will be unanimously and heartily nominated, for, while parts of his policy have met with some Democratic hostility, it is not likely to be carried to the point of desiring to defeat him. He is the only Democrat who has a chance to win, and his chance will not be too good if he has to meet the candidate of a really united Republican party.

National Unity

IN the French Chamber of Deputies the Premier, M. Briand, recently delivered a patriotic address in which he appealed for national unity in the prosecution of the war. His address is thus summarized by the Toronto News:

"The French Prime Minister told his critics that in such a momentous crisis as this, confidence between the Government and Parliament should be real and fraternal. It was unthinkable that Ministers responsible for the conduct of the war

should be continually interrupted in their work. Such a condition was unworthy of the people's representatives. He warned the trouble-makers against hampering a Government which was doing its best in war-time, and against thus committing a heinous crime against their country. To the credit of the French Opposition, the criticisms subsided and the Government was thus given a free hand to proceed with the war."

The Toronto News thinks this address of the French Premier "might well have been directed by way of rebuke to the Opposition at Ottawa." Perhaps there is some ground for this comment. Speakers, under conditions which usually mark the party system, are not always careful to temper their criticisms. But the News has strangely overlooked a most important fact. Might not the state of affairs in France be more correctly deemed a "rebuke" to the Canadian Government for their manner of carrying on the war? In France when the war came the old Government retired and a War Ministry was formed, embracing, as far as possible, representatives of all sections of the French Chambers. In England from the beginning of the war the British Government invited the confidence and co-operation of their leading opponents, who frankly made public acknowledgment of this effort to promote national unity. A little later this unity was further advanced by a re-organization of the Government, which became and now is a coalition of all parties.

It was not so in Canada. When the war came the systems of party government and party patronage were in full operation. The Canadian Premier and his colleagues did not follow the French and English plans of securing national unity. They adhered to the party system and they are adhering to it to-day. Perhaps this was all right. There may be many to think so. But the situation in Canada has been so entirely different from that of England and France that it would not be reasonable to expect in Ottawa the same kind of national unity as is found in London and Paris.

A strange story has been widely published, without contradiction, to the effect that the Lieutenant-Governor of British Columbia refused to approve of a Prohibition measure proposed by his Ministers unless they would include in it provision for compensation to those at present engaged in the liquor traffic. The question of compensation is an interesting one on which there is room for difference of opinion, but it is not one on which a Lieutenant-Governor can properly, in a public way, challenge the conclusions of his Ministers. The Prohibition bill is not to provide for compensation, so the Governor's view does not prevail. But the announcement that such a difference existed indicates that there is need of some instruction at Victoria on the constitutional relations between a Lieutenant-Governor and his advisers.

Notwithstanding the earlier reports, in which there was much information of British losses, and little of the enemy losses, the later official news assures us that, while the naval battle off the Danish coast last week was marked by the death of several thousand brave British sailors and the loss of a number of British ships, there was no such victory for the enemy as has been claimed in Berlin. The enemy losses, it is now believed, were even heavier than ours. The outstanding fact seems to be that the Germans, after some hours of severe fighting, fled back to their ports, leaving the British fleet still the mistress of the seas. ▽

Affairs in Newfoundland

Prosperous Business Conditions---The Finance Minister's Budget Speech---Prohibition Close at Hand---Shipping Needs ---Increased Favor for Confederation

(From a St. John's Correspondent).

The annual session of the Newfoundland Legislature ended May 3rd, and from the proceedings at the House an almost exact idea of the financial condition of the colony is revealed.

The Budget Speech of the Minister of Finance and Customs, Hon. M. P. Cashin, contains the actual figures of the financial standing of the country to-day.

In retrospect Minister Cashin in delivering the Budget reviewed the condition of the country from the opening of hostilities till now, and further anticipated the financial condition of the country for the coming year.

The First Effect of the War.

In the early days of the war this country suffered the most severe dislocation of trade, perhaps, in its whole history. The deficit in the revenue for the fiscal year 1914-1915, amounted to the unprecedented total of \$755,003, which was the first deficit in that department of the Government for many years. The insular position of the colony, and the fear of German commerce raiders, diminished both the imports to and the exports from the country to an almost paralyzing degree. The situation by degrees became more and more critical, till the strongest agitation was made for a moratorium, as direful consequences were imminently threatening the whole fabric of local government.

Conditions To-day.

Yet to-day after a period of less than eighteen months the pendulum has swung back again, depression in business has passed away, and the colony boasts of a prosperity never excelled in ante bellum days. This fact though striking is merely a recurring expression of what has been most remarkable in our whole industrial life — our marvellous power of recuperation.

In looking forward to the next twelve months the minister was able to express a well founded belief that the gratifying conditions that exist at the present time are not only going to continue, but are going to be more favorable even than those which prevail to-day, and this despite the severe continuance of the war, which is demanding more and more of our young men, both for the army and navy. This seemingly anomalous condition of affairs is explained in one word—the fisheries. The people are almost entirely dependant on the harvest of the sea. Its annual wealth in an ordinary year approximates \$11,000,000. When it fails almost everything fails, and when it is productive the country is prosperous.

The war has created high prices for fish and fishermen are being solicited to sell their catches for "spot" cash at prices never hitherto attained. Labrador cod will fetch a figure hitherto unprecedented. Newfoundland herring, for the first time in the history of that industry, are being Scotch packed this year. This method of pack will mean a gain of from \$6 to \$10 per barrel. Cod oil is fetching the highest prices. As long as these conditions prevail Newfoundland, war or no war, will be prosperous.

The customs revenue for the past nine months of the present fiscal year is announced in the Budget Speech of the Finance Minister to be practically the same as for the entire previous fiscal year. The entire fiscal year 1914-15 gave a customs revenue of \$2,744,567.85; the nine months already passed of the present fiscal year gives \$2,712,000.00. It is estimated that the total revenue for this year will approximate \$4,160,000.00, while \$4,100,000.00 will be necessitated to meet the various civil and other expenses of the colony, so that the fiscal year 1916-17 will be begun with practically a clean sheet, and most excellent prospects; if the steady increase in customs duties over the past two years is at all barometric of prosperity.

Importation From Canada Decreases.

Canadian made goods, which have become a most important source of supply to the trade of the country, were severely affected by the war. Whereas in the fiscal year 1910-1911 our imports from Canada valued \$4,600,000.00, and in 1911-1912 they amounted to \$5,200,000.00, last year they declined again by \$700,000.00 on the value of the previous year. Of course, this decline was not confined to Canada, but from England and the United States as well; both of which supply goods to the value of roundly four million dollars annually.

Canada's Opportunity.

At the present time both Canada and United States are competing for the trade formerly done with England, but which has almost ceased since the war. Geographically Canada possesses great advantage over the United States, which factor, if fully taken advantage of could drive America from the field of competition in most lines of business, for nearly all goods from the United States to Newfoundland enter the country through Canada, and are thus doubly dutiable, while Canadian made goods are liable to one duty only.

England's export trade to this country before the war was confined principally to the following articles: dry goods, the annual value of which was roundly \$300,000; cotton fabrics \$250,000; hardware \$200,000; smallwares \$250,000; hemp yarn, \$90,000; machinery and locomotives \$250,000. For the balance of the trade, in supplying these articles the United States and Canada competed on fairly equal terms and now that England is all but entirely eliminated from the contest, both the former countries have a good field for business endeavor left to them, and the supply of necessity must come from one or the other or both. If Canada, possessed of all the natural advantages, will only advertise her wares to our people, and start a campaign of boosting her products, there can be no doubt that she will capture by far the major portion of this trade.

The Lumber and Mining Industries.

It is extremely unlikely in the face of facts to the contrary that the purchasing power of the people will decline, and preclude the possibility of doing the business in this line that England did, for besides the great boom enjoyed by the fisheries, the other large industries of the country are being conducted on a scale hitherto unprecedented. The pulp and paper industry has doubled and trebled its exports during the last eighteen months, and work at the present time at the mills is being conducted with feverish activity. Last year Newfoundland led all other countries and assumed the premier position of supplying "news" paper to the United Kingdom. The actual amount of paper supplied was 477,896 tons, while Norway for the first time in many years was relegated to second place, supplying 323,792 tons. The rate at which work is being carried on at the mills at the present time was never equalled before. The mills are working at full capacity, and the total amount of manufacture for this year will not unlikely be greater than any two former years combined.

The iron mines of the Dominion Iron and Steel Co., and the Nova Scotia Steel Co. are, since the beginning of the spring, being operated at full blast. More than two thousand men are employed by both companies at the mines. For both mines there will be shipped for this year an estimated total of 1,000,000 tons of iron ore.

A new industry has been created by the war, in the nature of pit-prop exportation. Previous to the war this wood was not permitted to be exported, but on representation being made to the local government from England of the absolute necessity for a supply of that commodity, and the almost insurmountable difficulties surrounding importation from the Scandinavian countries, it was decided to repeal the laws which hitherto forbade exportation, and thus virtually place the entire forest resources of the colony in a position to be utilized for the benefit of the Empire. As a result of the new legislation no less than one quarter of a million cords of pit-wood were cut during the winter, and placed ready for shipment to England. From this industry the colony received in the earnings of the cutters about one million dollars, and the customs department will receive a dollar per cord on exportation.

Work in these industries is more or less typical of the general conditions prevailing in the other industries.

Savings.

A glance at the savings and bank deposits of the people for the past year is significant, and emphasizes what I have said, the wonderfully sound financial state of the country. The report of the Colonial Savings Bank for the year ending December 31st shows that it then had on its books deposits aggregating \$2,411,946.16 and that the four Cana-

dian Banks doing business in the Colony had on deposit at interest and in their savings branches on the same date \$9,906,154.43. These figures, totalling \$12,318,100.59, are the savings of our people, and, wonderful to relate, have increased by nearly one million dollars, or to be precise \$912,424.26, over the previous year. The value of debentures held in the colony on the same date was \$3,804,216, while the statement as to life insurance shows that there were current in the country on the 31st of Dec., 1913, 5,067 policies of an aggregate value \$7,745,559.85, and on the 31st of Dec., 1914, there were 5,482 policies of a face value of \$8,325,329.06.

Prospects for the Coming Year.

In looking forward to the fiscal year 1916-17 Minister of Finance Cashin, in presenting the Budget, said:

"Despite the disadvantages which now confront us in the increased cost of many articles of a commerce in the colony, in the grave features of the tonnage problem . . . we are entitled to look forward to the coming year to maintain the present very satisfactory condition of affairs, if not indeed, to materially improve upon them . . . and from the view-point of the business man the prospect never looked more encouraging for a prosperous and successful year for our people."

Another extract from the minister's speech is as follows:

"All these things combine to make the year one of exceeding promise for our people, and this, remember, does not take into account at all the opportunities offered by our staple industry, the cod fishery, where, with prices ruling as they are to-day, there is prospect of men earning more, perhaps, than ever they did before. Hence there is no reason to doubt, from all indications evident at the present time, that the next fiscal year is certain to be a highly prosperous one."

The recent annual report of the Board of Trade describing the present comparative immunity of the colony from commercial disturbance reads in part:

"Probably no British Colony has suffered less through war conditions than Newfoundland has. The principal markets for shore cured fish—Brazil, Spain, Portugal and Italy—have not been interfered with by war conditions. The Colony has very much to be thankful for. The effect of the war has been to advance the prices of cod fish, herring, cod oil, and, excepting as regards lobsters, which were largely marketed in Germany, the export trade of the colony has so far suffered nothing."

Prohibition.

As result of a referendum held throughout the colony last November it was voted that after 1916 the importation and sale of intoxicating liquors in the country be forbidden. Thus the new year will open by the simultaneous closing of every liquor saloon throughout Newfoundland. The liquor bill of this country for the last few years averaged about one million dollars annually. The greater part of this money will hereafter go into the general circulation of the country, and result in the material betterment of the poorer classes.

The loss to the revenue of the country, of the collection of duties on liquors henceforth, after 1916, will total not less than \$400,000. This loss will have to be made up from some other source, but the Finance Minister calculates that it will come from the increased prosperity of the people, and contrary to the usual course when a large source of revenue is cancelled, there will be no additional taxation whatever as a means to supply the comparative deficit in the revenue.

As to what the ultimate condition of affairs will be, as result of total prohibition, it is scarcely possible to state now. The liquor evil for years has been certainly altogether too prevalent among the people, and constituted there is no doubt what is the national vice of the country. With this evil removed, and unless something as bad or worse comes to dissipate the energies of the people, Newfoundland, I believe, will with the closing of the saloon door begin a new career of unexampled progress and prosperity.

The Shipping Problem.

At the present time there is one difficulty of magnitude confronting the colony — the shortage of tonnage for the transport of the commodities essential to our Colonial existence. Strenuous efforts have been and are being made to remedy this difficulty by the purchase of shipping in the United States and Canada, and during the months of April and May no less than twenty-five or thirty vessels and steamers have been bought here. For this amount of tonnage about \$250,000 was spent. The Government, fully alive to the imperative necessity of tonnage to the welfare of the colony, brought forward during the session of the legislature a bill providing a seven per cent bounty to encourage

ship building in the country, as well as rendering free from duty all materials imported to be used in the construction of the ships. These generous concessions are certain to create an impetus in ship building circles so that beginning next winter ship building will become again an active industry in the colony, and will result in the recreation of a local shipping fleet of such magnitude and importance as in by-gone days.

Our Part in the War.

In the war the colony is playing its part manfully and well. Its sons to the number of five thousand or thereabouts have responded to the call of duty. More than three thousand of this number have donned the khaki, while the remainder are enrolled amongst the boys in blue. Five thousand men from Newfoundland, which has a population of 250,000, may not seem a great showing, but it is to be remembered that unlike the other Dominions practically every man of these is native born, so that if the colony's contribution be judged from this point of view the aspect of affairs changes and it is at once seen that in proportion to population Newfoundland's contribution is not surpassed by any of the other colonies. St. John's (the capital), with a population of twenty-five thousand, has given two thousand five hundred men.

Confederation with Canada Favorably Viewed.

During the past year a notable change has come over the people in regard to Confederation with Canada. To anyone mixing among the people and discussing politics this reality is at once apparent. The view of the people, perhaps the war accounts for it, is entirely different from what it was at any time previous to the war. The fishermen discuss the pros and cons of union with Canada; four years ago such a thing was unthinkable, without a row.

The marked antipathy to Union with Canada commenced in 1869 when the question was made a political issue. The people of the country divided over the question of the desirability of Confederation into two of the most hostile and bitterest political camps in the history of responsible government in the country. The Anti-Confederates argued that the terms offered by Canada were not liberal, and this added to a campaign appealing to the inherited prejudice of "padding our own canoe," as well as the wilful misrepresentation of the case to the fishermen combined to ignominiously defeat the measure. Since then Confederation has been innately distasteful to the majority of the people, so that the present change of feeling is in the nature of a complete revolution of ideas.

Newfoundland is very anxious to share in the prosperity that will almost certainly be enjoyed by Canada after the war. Nearly everybody is convinced that the reality of Confederation with Canada can at most only be postponed, and that it is but a question of years when unity of government will prevail in the two sister colonies. Newfoundland has great resources. Of herself she has not the money to develop them. Nearly all the people engaged in lumbering and mining, therefore, are most enthusiastically Confederate.

The strategic position of Newfoundland in the North Atlantic, and its incalculable value to Canada, standing as it does at the mouth of the St. Lawrence, through which is sent annually millions of bushels of wheat, the entire Canadian harvest, to Europe, makes it now more likely than ever that Canada would be willing to offer most generous terms to this colony for union.

Newfoundland has always been strongly Imperialistic. Previous to the war there was a common feeling that in Canada there was a silent throbbing for annexation with United States, and the wall of demarcation between ambitions of the two peoples was becoming thinner and thinner. But the war has either confounded or dissipated this idea entirely, and underneath the different shades of political opinions in this colony to-day there is a very real sentiment in favor of Union among all classes, a sentiment that is gathering force every day and becoming more and more representative of the entire wishes of the people. As yet the people of Canada do not or cannot realize that such a great change in so short a time has been consummated; nevertheless what I am saying is true. For instance, my grandfather, who was an active figure in the stormy days of '69, was a fierce Anti-Confederate; my father, too, was an Anti-Confederate; I am now a Confederate, and this is merely typical of numerous other cases I know.

I am a Confederate because seeing Canadians and Newfoundlanders dying shoulder together on the battlefields of France, I see no reason why we cannot live as one, and I believe that in the near future the question of union will become a very live issue.

The Paucity of Prizes

The Welfare of the Many; the Average Man, Must be Taken as the Standard

By J. W. MACMILLAN, D.D.

The Ford Motor Company of Canada claims to be paying a minimum wage of \$1,200 a year. Why do not competing companies do the same? Why does not every factory in Canada do the same?

The Ford Motor Company of Canada has no advantage over other manufacturing industries. It is, indeed, protected from the competition of rivals outside of Canada by a customs tariff, but so are other Canadian industries. It may claim that its phenomenal profits, which make it possible to pay such handsome wages, are due to its own thrift, intelligence, enterprise and shrewdness. It might seem that if other manufacturers were as alert, active and sagacious they, too, could pay their employes a minimum wage of \$1,200 a year. And, therefore, these other manufacturers are to blame, are they not, for the lower profits they make and the lower wages they pay? Is it not their own fault that their profit and loss balance is so modest and that their machinists and clerks earn little more than do school-teachers and ministers of the gospel?

Labor is thus provided with a tu quoque argument against capital which is unanswerable. Whenever the average manual laborer complained that he was not making enough to decently support his family, or that he could not find employment in times of financial stress, he has been used to hear this rejoinder: "It is your own fault. Look at X. He used to work at the bench beside you and now he is an employer and capitalist and rich man. You had the same chance he had and did not take it. He rose out of poverty and drudgery by his own efforts. Why did you not do the same? You have to thank your own laziness and stupidity for your present plight."

So we can imagine the average laborer who works for the average boss saying to that boss, as he strives with all his powers to pay the prevailing wages and keep his shop running, "What is the matter with you? Look at Ford's! Look at the way their business grows! Look at the profits they make! Look at the wages they pay! You had just as good a chance as they had. The reason you have not done so well is that you are no good. Why don't you wake up? See how you have entangled me and yourself together in the sorry and dreary fate caused by your incompetence."

Each Contest Provides One Winner.

Of course, such an argument is all wrong, whether applied to laborers or their employers. The fallacy lies in the assumption, ludicrous on its face, that in a contest all can win. If one prize is offered to a dozen contestants only one of them can possibly win it. To say to one of the defeated, "Why did you not win it, too? is childish, from the standpoint of the interests of the group. He might, indeed, have won it, in which case the present winner would have lost it, and the situation, save for the interchange of these two persons, been precisely the same.

The market for motors in Canada will not allow every motor manufacturer to develop the output and realize the profits of the Ford Motor Company. It is conceivable that some other motor company might have beaten the Ford Company at its own game. In that case the new company would have simply changed places with the Ford Company. Or, again, it is conceivable that two or more companies should have divided between them the paramount success of the Ford Company. In that case the situation would have been qualified, but not radically changed. But it is conceivable that all these companies should have achieved such success.

The market for foremen, junior partners and additional manufacturers is a very limited one. In any shop the most capable workman is likely to be advanced. It is quite possible that some other workman might have out-pointed him for the coveted promotion. But you cannot have a shop composed altogether of foremen. The promotion of one man does not alter the social situation presented by the shop as a whole.

Let us suppose a fire in a crowded theatre. The cry of "Fire! Fire!" is raised. Smoke belches from beneath the stage. In a moment there is a panic. Everybody presses pell-mell for the exits. The orderly audience is transformed into a shrieking, sobbing, fighting mob. Seats are broken. Women are trampled under foot. The aisles are jammed by throngs whose fury to escape wedges them hopelessly together. Those at the doors tear frantically at one another so that scarcely one can get clear

way. In that audience there is a heavy-weight pugilist. Calmly, steadily, remorselessly he cleaves his way to the door, bursts through the struggling mass and passes into the open air. Having made his escape he turns to the frenzied victims, towards whom the flames are now roaring, and shouts, "Why didn't you do as I did? You all had as good a chance as I had. Why didn't you fight your way out like me? It is your own fault that you are being burned alive."

The Average Man.

What we are concerned with as students and citizens is not the industrial destiny of a few persons, but of all. A system which makes pre-eminence of ability the only path to reward is neither democratic nor just. The work of the world is done and will be done by the average man, and he should not be sacrificed.

There is a "speeding up" process carried on in sweat shops. It consists in making the most skilful and rapid worker the standard both of output and of pay. Those who cannot keep up are penalized. So the mass of the workers are both over-driven and under-paid. The alleged justification of "speeding up" is the same cruel fallacy which underlies the doctrine we are considering. It denies the truth that nature makes men unequal in capacity and substitutes the lie that the less able are shirkers.

But this doctrine of "Why didn't you do as he did?" presents a further injustice. It implies that there are enough prizes for all the contestants. In the sweat-shop it is conceivable, though practically impossible, that all should earn the highest pay. For the reward is pay, not a prize. But in the wider realm of competition for superior positions and paramount commercial success such a result is inconceivable. For we are now dealing with prizes, not pay. The prizes, in the nature of the case, are few. The great majority, both of employers and employes, must receive only a moderate recompense for their toil.

The welfare of the many must be studied as a problem in itself. The solution does not lie in the escape and triumph of the few.

A PATRIOTIC DUTY.

We are now approaching the close of the second year of the great world struggle into which Canada has entered with the same zeal and loyalty as are shown by all other parts of the British Empire. Our brave fellows are daily returning from the front, worn out, wounded and scarred, many of them disabled for life, but with the deep satisfaction that they have done their duty for King and Country. Others again have paid the supreme price and have laid down their lives, leaving behind them helpless widows and children. In either case this cruel war is causing intense suffering as the reward of noble sacrifice. How best we can show our appreciation of the bravery and unselfishness of those who are returning from the front has already become one of the serious problems of the war.

The Federal Pension Fund provides pensions as far as possible for these disabled heroes and their families, but a sthe number of returned soldiers increase the fund will be quite inadequate to supply actual needs, much less comforts, to those who have given up everything to fight for us. A great deal more than a pension must be given to our men. The feeling of charity in the ordinary sense of the world must not be allowed to warp the spirit of our giving in this matter. We must make up our minds in some way to supplement largely the Government pensions, and if we were to give until we reached the verge of poverty, we should still be deeply in debt to these men and their dependents. A letter recently to the press from Mr. Angus Sinclair draws special attention to the immediate need for help for our wounded soldiers.

In England a movement has been set on foot by the Prince of Wales as Chairman of what is known as the Central Statutory Committee, which is working under the War Pensions Act, to provide adequately for wounded soldiers, and which combines the efforts of the State, of local authorities and of voluntary associations. In Canada steps are being taken to profit by the good example thus set to us in the old land, and, just as we have been ready to follow the Mother Country into the lines of battle, so should we hasten to emulate her in our efforts to give every possible comfort to our wounded and disabled soldiers.

Government Ownership and Control of Railways

The Nationalization of the C. N. R. and the G. T. R. may not, according to the author, prove to be the Formidable Undertaking it now appears to be.

By W. W. SWANSON.

The nationalization of a great part of Canada's railway system will soon be before the people of this country, and no problem that has faced them in recent years—outside of the war—will demand more serious consideration. Government ownership of railways, wherever it has been tried in the past, whether in Italy, in Germany, in Switzerland, in Australia or in Canada itself, has admittedly not been a signal success. The management of our own Intercolonial, whether under a Liberal or Conservative Administration, proved too intricate and difficult a task until the line was placed under independent control.* In Australia both politics and labor have greatly hampered the efficient functioning of the government roads, although a great improvement has been noticeable in recent years. Those who have had any extensive experience with the government railways of Italy do not find much in their administration to merit commendation. The service, both passenger and freight, is poor, also the equipment. The government lines of Germany, both with respect to passenger and freight service, have been admirably managed, although their economic functions have been made subservient to strategic considerations. Nevertheless, many competent students of railroad problems—among them Hugo Myer, in his work on "Government Regulation of Railway Rates"—are of the opinion that the privately owned railroads of the United States are operated more efficiently, and yield better service to the public, than the German lines. Notwithstanding these considerations, however, there is a strong body of opinion in the United States that advocates government ownership of railways, not only because it is considered that the functions of railways are essentially public in nature, but because there is a feeling that they have exploited the people and have played too great a role in politics. It is scarcely probable that the American people, in the near future at least, will be convinced, as a whole, that billions of public money can be advantageously spent in acquiring private railroad rights; rather we may look for closer regulation of operation and rates under private ownership.

The war, however, has confronted Canada with a dramatic situation in the railway world. Even had there been no war it is evident that the slump in business that set in in the autumn of 1914 would have placed the Canadian Northern and the Grand Trunk Pacific in a precarious financial position. Both systems were needed, we believe, and will perform invaluable economic service to the country in the years immediately following the concluding of peace, when a mighty effort should be made to settle Northern Ontario and the prairie provinces.

Not Too Many Railways.

It is absurd to say that Canada is over-equipped with railways, especially in the West, where the existing lines do no more than meet the needs of the people. In the ten years following the war the West should add at least two millions to its wealth producers on the land; and it will be found that there is not a mile of road too much. It is only fair to add, also, that there is no evidence to show that the Canadian Northern with its subsidiaries were constructed with any great waste of capital. The Grand Trunk Pacific is as well constructed as any road on the continent; and if the earlier estimates were exceeded as much can be said of almost every great trunk line that is in a flourishing condition in the United States to-day. In any event nothing is to be gained by indulging in useless re-terminations concerning the past. The present and immediately pressing problem that faces the Canadian people is whether they are prepared to support the credit of these great national lines or permit a blow to be struck at our financial stability from which the country can hardly expect to recover. It is plain that both the Canadian Northern and the Grand Trunk Pacific must receive additional aid, or be taken over to form, with the Intercolonial, a great national railway system.

As has been said our experience with the Inter-

colonial has not been a shining success; but it may be that this experiment in government ownership was conducted on too small a scale, or along the wrong lines. What can be done with a great railway system, under national ownership and control, extending from coast to coast? Is the problem too big, too difficult, for the Government to face and meet in any adequate manner? The question is not, it will be observed, similar to that which confronted Germany, Italy or Australia when they decided upon government ownership; for in each of those countries the experiment, at its inception was tried on a small scale, and experience was gained, with the passing of time and the extension of the system, to deal with larger and more difficult problems. Canada, on the other hand, must meet an entirely different situation, one wherein a great network of lines extending from the Atlantic to the Pacific must be administered with comparatively little previous experience. The only analogous situation that comes to mind is that which met the British nation at the outbreak of war. The railroads of the United Kingdom were, for the time, nationalized; and have been so administered since. In view of the problem that faces Canada, therefore, it may be worth while to describe what has been accomplished in Great Britain since the railways there have come under direct national control.

The Nationalization of Britain's Railroads.

All railroads in the United Kingdom, as in Canada, receive their charters by special authority of Parliament. In each charter there is a provision whereby, on compensation being granted to the stockholders, the railway may be taken over by the nation. The only other condition obtaining in time of peace that must be mentioned, is that the railways are obliged to carry soldiers, sailors and military materials at specially low rates. On August 4, 1914, the United Kingdom entered the European war, and the following day all the railroads of the nation were put under Government control, by virtue of the act of 1871, which had been passed at the close of the Franco-Prussian war—the first railroad war of history.

While the railways are now under the control of the Government, exercised through the Board of Trade, they are administered by a committee made up of the General Managers of all lines. The military authorities have no direct control of the roads or of their operation, they merely issue orders that are carried out by a committee of expert railway administrators. The various roads during the past ten years had been gradually working up to this unity of action, and had largely eliminated wasteful and ruinous competition. This had led to the division of the railways into four main groups, in each of which the railroads had preserved their separate and distinct identity. The period of amalgamation had passed with the death of competition, when "the race to the North" had ended. The four groups were as follows: First, the "Triple Entente" consisting of the North Western, with common stock of \$215,000,000 and preferred of \$220,000,000, and bonds to the extent of \$200,000,000, together with the Midland and Lancashire and Yorkshire with a slightly smaller capital. These three lines serve Birmingham, Liverpool, Glasgow, Edinburgh and the Highlands. These systems were formerly competitive, but a non-competitive passenger and freight service had been instituted before the war.

The second group is the "East Coast Group," comprising the Great Northern, Great Central and Great Eastern which cover Yorkshire and the Eastern counties and—like the "Triple Alliance"—serve Scotland through allied Scotch lines. The third group consists of the Great Western and the South Western, the former of which is second only to the North Western in capital and has the largest mileage in the United Kingdom, 3,000. It covers the west and south-west of England, South Wales, Birmingham and Ireland. The fourth group consists of the amalgamated South Eastern and Chatham lines and the Brighton. This system serves the south and east of England. Its lines are not equal to

those of the other three groups, and it has great terminal difficulties in London; but the standard of service is high.

Effect Co-Operation Before the War.

The British railways, as already remarked, had achieved a high degree of co-operation before the war, greatly to the benefit of themselves and the public as well. Rates had not risen, although it should be noted that this may have been due as much to the decision of the Railway and Canal Commission—the governmental authority that sanctions changes in rates—as to economies effected by the elimination of the wastes of competition. Moreover, the passenger and freight service had been great improved—especially in what is known as the "cross-country" service. It would appear, also, that the railways have gained financially as a result of this "gentlemen's agreement" among themselves; for in 1913 every road increased its dividends, save one.

When the Government took over the railways at the outbreak of war the Clearing House was abolished. This institution set up elaborate machinery whereby the profits of through business were divided among the different companies concerned, and expenses in like proportion. At the same time the Government ceased to make direct cash payments for services rendered by the roads.

Government Guarantee of Earnings.

Instead of doing so the Government has practically guaranteed to make up any deficit in the net earnings of the railways, the standard set up being the net earnings of 1913. To be precise, the Government guaranteed to the railways a sum sufficient to make their net revenue for the second half of 1914 equal to that for the second half of 1913, except that where net revenue for the first half of 1914 showed a reduction compared with that of the first half of 1913 the sum payable by the Government for the second half of 1914 was to be reduced in like proportion. The private and public receipts of the roads were, in fact, about the same for 1914 as for 1913, after the Government had made its contribution. The agreement was continued in 1915 and will probably hold good until the close of the war.

The service, both passenger and freight, has been remarkably, even phenomenally good, considering the dislocation of trade and industry, and hence of traffic, caused by the war. Holiday and suburban passenger traffic has been greatly curtailed, as well as the Irish service, due to the lack of steamers. The movement of troops at the ports has been accomplished with greater celerity and smoothness than has been approached anywhere else in the world. Ordinarily a train with its complement of materials and troops runs alongside a steamer and clears its load in about twelve minutes. Of course, the English are past-masters at the art of embarking troops with their impedimenta for overseas service, having had a long course of training for many years in sending men to Egypt, India, and elsewhere over the Seven Seas. Taking things all in all, the railways have been administered with wonderful success in the United Kingdom since the outbreak of war; and this notwithstanding the fact that 100,000 railroad men, at least, out of the total peace force of 600,000, having gone on active service. As might be expected, therefore, the labor question, as far as equipment and operation are concerned, is acute.

The Probable Outcome.

There are many publicists in the United Kingdom who hold strongly to the opinion that the nation will never return to the old system of private ownership and control. Instead, a step in advance will be taken, and the roads will be nationalized. It has been proved that they can be economically and efficiently managed and administered through the State; and State activity will increase, rather than diminish, in Britain at the close of this struggle. In any event, the result of this gigantic experiment in government control of railways should not be lost sight of in Canada. There will be more time available here to consider the problem, and to work out adequate methods for its solution. The taking over of the Canadian Northern and the Grand Trunk Pacific, therefore, may not be the formidable undertaking that it appears to be at the present time.

*Dr. Swanson is mistaken in his impression that the Intercolonial Railway has been "placed under independent control." It remains as it always has been—and almost necessarily must be while owned by the Government—under the control of the Canadian Government through the Minister of Railways.—Ed.

AMONG THE COMPANIES

DOMINION TEXTILE STATEMENT.

The splendid condition of the cotton trades of the Dominion was reflected in the financial statement of the Dominion Textile Company presented to shareholders at the eleventh annual meeting held in Montreal on May 30. Sales during the twelve months ended March 31 amounted to \$10,438,098 compared with \$7,643,674 last year, an increase of \$2,794,424, while net profits amounted to \$1,481,195, compared with \$1,230,767 last year and \$1,196,990 for the year previous.

In his address to the shareholders President C. B. Gordon outlined the events of the past year, reviewing manufacturing conditions, which might be taken as indicative of the status of the entire industry. The company, in common with the entire industry, had been faced with an increasing shortage of dye-stuffs and chemicals during the year, but in face of these difficulties was able to maintain capacity operation in their bleaching, print and other works where large quantities of these materials are used, although the higher cost of materials had necessitated corresponding advances in the finished product. In addition to meeting these difficulties the company added a large number of lines not previously manufactured in Canada to their already wide range of cotton goods, and do not anticipate any difficulty in holding the trade secured in these lines after the war. Mr. Gordon further stated that owing to the large increase in the demand for all cotton goods which developed during the last half of the fiscal year, the company is now reaping the benefit of the policy which it has carried out for a number of years of keeping the mills up to high standard so as to be in a position to take advantage of such opportunities. In reply to a question General Manager F. G. Daniels stated that the company was booked up with orders for seven months ahead. The company has now 10,000 looms and 464,144 spindles in operation, and employs over 7,000 hands.

The board of directors was re-elected, as follows: President, C. B. Gordon; Vice-President, Sir Herbert S. Holt; Secretary-Treasurer, James H. Webb; Assistant Secretary-Treasurer, James A. Fish. Directors: C. B. Gordon, Sir Herbert S. Holt, J. P. Black, Hon. Robert Mackay, John Baillie, C. R. Hosmer, G. A. Grier.

Comparisons of the profit and loss account and balance sheet for the past two years are shown in the following tables:

Profit and Loss Account.		
	1916.	1915.
Interest on Dom. Textile bonds	\$192,556	\$192,346
Interest on Montmorency bonds	26,587	26,775
Dividend—		
Preferred stock	134,820	134,869
Common stock	300,000	300,000
Rent and Int. Ac. D. C. M. Co.	368,055	366,252
Mount Royal Rent Ac.	198,000	198,000
Amount written off for bad debts	8,945	24,226
Patriotic Fund	15,000	10,000
Reserve for war tax	100,000	.....
	\$1,343,964	\$1,252,471
Balance at credit	\$ 881,926	\$ 829,379
Dividend D. C. M. Co.	74,377	74,250
Profits for Year	1,481,195	1,230,767
	\$2,437,499	\$2,134,397
	1,343,964	881,926
	\$1,093,534	\$2,134,397
Liabilities.		
	1916.	1915.
Com. stock	\$5,000,000	\$5,000,000
Pref. stock	1,925,975	1,925,975
Bonds	3,252,775	3,252,775
Montmorency	437,500	445,000
	\$10,616,250	\$10,623,750
Loans:		
Commercial	\$2,151,427	\$2,484,920
Special	487,963	563,219
Open acct.	316,458	314,132



C. B. GORDON,
President Dominion Textile Company, whose annual report, reviewed herewith, discloses the best year's business in the history of the company.

Deposits	445,813	223,952
Amt. due leased Co.	112,330	52,355
Allowance:		
Wages	\$105,500	75,500
Int. on bonds	22,562	22,675
Pfd. div.	33,705	33,705
Com. div. ....	.....	75,000
Tot. quick liabilities ..	\$3,675,760	\$3,770,861
Res. for War Tax	100,000	.....
P. and L. acct.	1,093,534	881,926
	\$15,485,544	\$15,276,538
Assets.		
	1916.	1915.
Land, bldgs., stock D. M. C. and Gd. Will.	\$10,754,148	\$10,775,941
Raw Cotton	903,082	737,485
Stock mfg. and in prog. ..	1,005,087	1,558,315
Cash	18,942	12,675
Open accts.	2,357,469	1,767,871
Supplies	389,814	359,248
Insurance	57,000	65,000
Tot. quick assets	\$ 4,731,395	\$ 4,500,596
	\$15,485,544	\$15,276,538
Indirect liab.:		
Bills rec. under dis.	\$439,902	\$765,060

INTERNATIONAL NICKEL CO.

The annual report of the International Nickel Co., which controls the Canadian Copper Company, of Sudbury, Ont., for the year ended March 31, 1916, showed earnings amounting to \$14,091,612, compared with \$7,049,112 in 1915. The total net income amounted to \$14,340,966, leaving a surplus after paying head office expenses, depreciation and dividends, of \$1,781,719, compared with \$309,377 last year. The following is a comparison of earnings and disbursements for the past two years:

	1916.	1915.
Earnings	\$14,091,612	\$7,049,112
Other income	249,354	181,648
Total income	\$14,340,966	\$7,230,760
Head office ex.	870,860	517,374
Net income	\$13,470,106	\$6,713,386
Depreciation	1,721,828	1,115,315
Balance	\$11,748,278	\$5,598,071
Dividends	9,966,559	5,288,694
Surplus	\$1,781,719	\$309,377
Prev. surplus	5,315,625	5,006,247
Total surplus	\$7,097,344	\$5,315,624
10 p.c. stock div.	3,803,150	.....
Surplus	\$3,294,194	\$5,315,624

C. P. R. NET EARNINGS.

April Report Showed 38.9 Per Cent Increase Over Last Year.

The Canadian Pacific Railway statement for April issued last week recorded a substantial increase in both gross and net earnings over the month of April last year.

Gross earnings for the month amount to \$10,881,306, and were \$3,425,446, or 45.9 per cent larger than the April, 1915, total of \$7,455,859. Operating expenses, however, were 49.9 per cent higher at \$7,147,570, which left net profits of \$3,733,735, a gain of \$1,045,980, or 38.9 per cent. The April comparative figures follow:

	1916.	1915.	Inc.
Gross	\$10,881,306	\$7,455,859	\$3,425,446
Expenses	7,147,570	4,768,104	2,379,466
Net	\$3,733,735	\$2,687,755	\$1,045,980

For the first ten months of the company's fiscal year the earnings make a very impressive showing. Gross for that period amounted to \$105,117,108, and stand \$21,025,427, or 25 per cent above the total for the corresponding months of last year; working expenses were \$8,315,017 higher at \$63,953,104, which left net earnings at \$41,164,004, equal to an increase of \$12,710,410, or 44.5 per cent over 1915.

Comparative returns for the ten months of the past two years, as published yesterday, follow:

	1916.	1915.	Inc.
Gross	\$105,117,108	\$83,091,680	\$21,025,428
Exp.	63,953,104	55,638,086	8,315,017
Net	\$41,164,004	\$28,453,594	\$12,710,410

In detail by months, since the opening of the current fiscal year, gross and net figures offer the following comparisons with a year ago:

Month.	Gross.	Change in year	P.C.
July	\$ 7,895,375	—\$2,586,596	24.2
August	8,801,451	— 1,116,312	11.3
September	10,273,165	— 480,974	4.5
October	13,443,214	+ 4,160,285	44.8
November	12,705,973	+ 5,293,924	65.7
December	12,705,673	+ 5,261,711	70.7
January	8,588,826	+ 2,479,799	40.6
February	8,795,830	+ 2,060,151	31.0
March	10,380,981	+ 2,527,992	32.2
April	10,881,306	+ 3,425,446	45.9
Totals	\$105,117,108	\$21,025,427	25.0

Month	Net.	Change in years.	P.C.
July	\$2,800,403	—\$ 987,042	25.9
August	3,442,314	+ 79,157	2.4
September	4,745,300	+ 378,252	8.7
October	6,579,434	+ 3,258,105	98.1
November	6,354,413	+ 3,710,340	140.3
December	5,702,321	+ 3,502,797	159.4
January	2,090,408	+ 950,174	83.3
February	2,294,342	+ 315,328	15.9
March	3,421,330	+ 448,315	15.1
April	3,733,735	+ 1,045,980	38.9
Totals	\$41,164,004	\$12,710,410	44.5

BRAZILIAN TRACTION APRIL STATEMENT.

Statement of combined earnings and expenses of the tramways, gas, electric lighting, power and telephone services, operated by subsidiary companies, controlled by the Brazilian Traction, Light and Power Co., Ltd., for the month of April, 1916.

	Milreis. 1016	Milreis. 1915	Milreis. Increase
Total gross earnings ..	6,678,000	6,333,460	344,540
Operating expenses ..	2,904,000	2,627,690	276,310
Net earnings	3,774,000	3,705,770	68,230
Aggregate gross earnings from Jan'y -st ..	25,898,000	24,422,060	1,475,940
Aggregate net earnings from Jan'y 1st ..	14,731,000	14,054,670	676,330
1 Milreis equal \$0.546 normal.			

The Subscription Price of the Journal of Commerce is Three Dollars per Year.

AMONG THE COMPANIES

P. LYALL & SON'S STATEMENT.

The annual report of the P. Lyall and Sons Construction Company, Limited, for the year ended March 31 last, and covering the first five months of the company's activity in the manufacture of munitions, showed earnings amounting to \$234,644 compared with \$209,677 last year, and \$230,405 in 1913-14. The earnings were sufficient to pay bond interest of \$69,272, provide for sinking fund allowance of \$42,000, and the preferred stock dividend, which took \$91,000. After these deductions there remained a balance of \$32,372, equal to 1.8 per cent on the outstanding common stock to be carried forward. The previous balance amounted to \$82,830, leaving a total abalance of \$115,202.

Mr. William Lyall, president, in his address to shareholders, announces that in addition to a large amount of munition business, a contract has been closed for the reconstruction of the Parliament Buildings at Ottawa.

The balance sheet compares as follows:

Assets.		1915-16.	1914-15.
Property		\$1,172,809	\$1,177,423
Good will, etc.		1,783,509	1,783,509
Cash		1,522	64,338
Deposits		76,177	232,282
Securities		1,233,997	1,161,393
Acc. receiv.		516,013	938,567
Government cert.		36,701	.....
Material		235,744	170,768
Furniture		5,268	5,269
Other assets		23,819	19,428
Organ exp. . . . .		.....	14,233
Machinery, spec.		376,194	.....
Total		\$5,461,760	\$5,567,209
Liabilities.		1915-16.	1914-15.
Bonds		\$1,130,500	\$1,172,500
Preferred stock		1,300,000	1,300,000
Common stock		1,750,000	1,750,000
Accounts pay		191,227	74,818
Bills pay		517,030	634,627
Balances due		311,828	438,117
Sink fund		119,500	77,500
Div. and int.		26,472	26,892
P. and L. bal.		115,202	82,830
Total		\$5,461,760	\$5,567,209

The special item of \$376,194 for machinery covers new property to handle munitions orders not in operation during the period covered by the report, and that the company is fully protected against loss on the expenditure.

CANADIAN CONVERTERS CO., LTD.

Profits showed by the Canadian Converters Co. Ltd. for the year ended April 29 last amounted to \$140,223; compared with \$41,628, the previous year, and \$121,454 for the 1913-14 period. After providing bond interest and allowing for depreciation and bad debts the company forward a net surplus of \$89,162 against a net deficit of \$78,434, which had to be charged up to surplus account in 1915. Earnings, as shown were equal to 5.2 per cent on the company's common stock, dividends on which were suspended about a year ago.

DOM. STEEL INCREASE WAGES.

Dominion Steel Corporation has announced a voluntary increase of 10 per cent in the wages paid to all workers in both the steel and coal department of its business. In the case of the steel workers the full 10 per cent increase goes into effect at once; in the case of the coal workers a 6 per cent increase is granted immediately, with 4 per cent to follow on January 1st next.

An important feature of the increase granted to the coal workers is that concurrently a new contract is entered into between the company and the men, to hold good for two years, from January 1st next. The old contract would have expired at the end of the current year. Under the new arrangement the former contract is abrogated and an interim 6 per cent increase in wages granted until the full 10 per cent increase goes into effect at the beginning of 1917.



JAMES CARRUTHERS,
President Canada Steamship Lines whose dividend announcement is of some interest to investors.

CANADIAN NORTHERN APRIL EARNINGS.

The statement of earnings and operating of the Canadian Northern Railway System for the month of April 1916, shows an increase in gross earnings over the corresponding month last year amounting to \$875,400, and an increase in operating expenses of \$869,900. Net earnings showed an increase of \$5,500, and mileage in operation of 1,022. Net earnings for the period July 1, 1915 to April 30, 1916 showed an aggregate increase over the corresponding period last year amounting to \$1,847,700.

C.P.R. SHARES NOT INCLUDED

Replying to a question from Mr. Donald MacMaster, M.P., in the British House of Commons, Chancellor McKenna stated that no Canadian shares would be included in the Government's purchase scheme except with the approval of the Canadian Government. Mr. MacMaster stated that great fears prevailed in Canada that control of the Canadian Pacific might pass into American hands by their acquisition of the company's shares.

WINNIPEG ELECTRIC EARNINGS.

Although net earnings of the Winnipeg Electric in March were in excess of those of a year ago, the figures for the first quarter of 1916 show a fairly large falling off, amounting in all to \$24,103. Total earnings for the quarter were \$328,625, those of the corresponding period of 1915 being \$352,728; 1914, \$433,785; 1913, \$433,565. It was just about a year ago that earnings fell off so remarkably and as the trend appears to be upwards at present, it is hoped that future months will make a relatively good showing.

G. T. R. APRIL EARNINGS.

Gross earnings of the Grand Trunk Railway for April amounted to \$3,584,828, while expenses were given at \$2,344,104, making net earnings for the month of \$1,240,724, compared with \$1,167,492 for the same period in 1915, an increase of \$73,232 or 6.2 per cent. Comparisons between the two years are as follows:

	1916.	1915.
Gross for April	\$3,584,828	\$3,200,324
Expenses	2,344,104	2,032,832
Net	\$1,240,724	\$1,167,492
Net 1915	1,167,492	.....
Net increase	\$73,232	

CANADIAN SALT CO. EARNINGS.

The Canadian Salt Company, Limited, reports earnings for 1915 of \$162,933, the highest in the company's history. These earnings compare with \$112,374 in 1914, \$95,531 in 1913, \$89,927 in 1912, and \$94,927 in 1911. The company has paid annual dividends of 8 per cent on its common shares since 1901.

STEAMSHIPS TO PAY DIVIDENDS.

A dividend of 1% per cent on the preference shares of the Canada Steamship Lines, Limited, was declared at a meeting of the directors held in Montreal on June 1. The dividend, which is payable August 1 to shareholders of record July 1, will be used to reduce the arrears on the 10 1/2 per cent of the cumulative stock.

It calls for a distribution of \$218,750, and will be the second consecutive quarterly payment since the passing of dividends in June, 1914.

At the annual meeting of the company last year the directors announced that thereafter dividends would not be declared until after the close of the year's operations, and not quarterly, as had previously been the rule. The advantage to the company of this change is obvious, inasmuch as the first two quarterly payments might be justified by good earnings immediately after the opening of navigation, whereas the autumn business, as a result of a crop failure, might be very disappointing. That was the case in 1914.

Assuming that, under the plan of postponing regular dividend declarations until the close of each fiscal year, no dividends have so far accrued for the 1916 period, the arrears on the preference shares are reduced to 8% per cent by a recent declaration. If any other declaration of 1% per cent is made payable three months later, that is, on November 1st, the company will turn into the new year with arrears, including the 1916 dividend, totalling 14 per cent. What action will be taken with respect to that amount due shareholders will depend on how earnings are maintained in the late months of the year.

PENMAN'S, LIMITED, NEW MILL.

Penman's, Limited, have purchased a plant at Waterford Junction, Ont., which is now being fitted up as a spinning mill. The main building is 60 ft. by 260 ft., with an annex addition containing the power plant. 3 sets 60 inch wool cards are being installed, and mules and other equipment will follow.

Waterford Junction is on the main line of the G. T. R., about 16 miles south of Brantford, and is also on the new Lake Erie and Northern line from Galt to Port Dover, so that the company will have a chain of factories at Paris, Brantford, Waterford and Port Dover.

NEW BELTING CO'Y IN HAMILTON.

The Peerless Weaving and Belting Co., Limited, Hamilton, Ont., which has recently been incorporated with an authorized capital of \$150,000, has leased a factory on Arthur Street, formerly occupied by the Ludlam-Ainslie Company, will equip this factory for the manufacture of cotton and leather belts, automobile accessories, and for the rebuilding of old leather belts. This company will take over all Canadian rights of the Peerless Belting Company, of Gardenville, N.Y. The directors of the Canadian company are Edward de Ette Matteson, Buffalo; W. F. Frantz, Colden, N.Y.; Jacob Dilcer, Buffalo, and Edward F. Gingras, son of the president of the Peerless Belting Company, of Gardenville, who will superintend the Canadian factory.

CANNING CO'S. SUIT.

The Canadian Cannery, Limited, is suing the Trent Valley Cannery, Limited, claiming that the latter company has been selling individually and not through the holding company. The Trent Valley is one of the Ontario canning companies which joined with Dominion Cannery to form a holding company to handle the bulk of the canning production of the province with a view to eliminating "cut-throat" competition. The Dominion Cannery claims it has broken its contract.

The Trent Valley, in its defence, claims that the contract was illegal and that the holding concern is acting in restraint of trade. Shareholders of Dominion Cannery, Limited, will watch the case closely, as the company had only been gaining strength financially since the holding arrangement was entered into.

Cape Breton Electric gross earnings for the twelve months ending March 31, were \$371,850, an increase of \$27,601. Operating expenses for the year were reduced \$6,620 to \$215,628, leaving net earnings of \$156,221, an increase of \$20,981. After deducting interest charges and allowing for sinking fund, the balance carried forward was \$77,441, an increase of \$20,324.

Mentioned in Despatches

Mr. L. A. Boyer, Ex-M.P., has just joined the Great Majority. The late Mr. Boyer was in his seventy-seventh year, and to the men of the older generation he was one of the best known members of Parliament from the Province of Quebec. He represented Maskinonge from 1872 to 1878 in the Liberal interests.

Mr. Arthur Drummond, whose death from typhoid fever has just occurred at the Royal Victoria Hospital, Montreal, was a son of the late Sir George A. Drummond, former president of the Bank of Montreal. Mr. Arthur Drummond was connected with the Canadian Sugar Refinery as a technical and scientific expert, being recognized as a world authority on the scientific side of sugar manufacture. He was born in Montreal forty-eight years ago and educated in that city and in England. He is survived by a wife and four children. He was a half brother of Capt. Guy Drummond, who was killed at the front a year ago.

Dr. Charles Helfferich, who has just been transferred from the post of Minister of Finance to Minister of the Interior at Berlin and Vice-Chancellor of the Empire, is but forty-four years of age. Helfferich is one of the best known financial men in Germany, being a director of the Deutsche Bank and also a director of Germany's railroad enterprises in Mesopotamia. For some time he was stationed in Constantinople as Germany's railroad and financial representative. It is said that he is one of the few men in Germany who foresaw the magnitude of the present conflict. He is regarded as a particularly competent official.

Archduke Eugenius, Commander-in-Chief of the Austro-Hungarian Army on the Italian front, is the man primarily responsible for the recent defeat of the Italians. He is the man who erected the huge defence works which have withstood Italian attacks in the Tyro-Trentin Alps. Eugenius is a younger brother of the Archduke Frederick and was chosen to lead his countrymen against the Italians because of the marked antipathy which he has always shown towards Italy. The Archduke, who is fifty-three years of age, is unmarried.

Viscount Bryce, better known to the world as James Bryce, will doubtless add to the affectionate regard in which the Americans hold him by his latest articles on America and the war entitled "America's Traditional Isolation." Bryce's "American Commonwealth" is undoubtedly the ablest book ever published dealing with American form of Government. The name of Bryce is inseparably connected with the literary, political, and social history of Great Britain. He was born in Glasgow in 1838, and educated in that city and at Oxford, where he became a professor of civil law, a position he relinquished to enter Parliament. In the House of Commons he soon became an outstanding figure, becoming a member of successive Governments until he was sent to the United States as ambassador. He is a profound student, an able writer, a forceful speaker, and altogether the ablest and best informed of living Englishmen. A short time ago Viscount Bryce acted as chairman of the British Commission which investigated the Belgian atrocities.

Justice Charles E. Hughes, who is being boomed as Republican nominee for president, is undoubtedly one of the outstanding jurists in the United States. From this distance it looks as if the choice would be between Hughes and Roosevelt, two men diametrically opposite in their attitudes towards public questions. In many respects Hughes is of the academic type made familiar to the world by Woodrow Wilson, although as counsel for the Armstrong insurance investigation and as Governor of New York he showed surprising strength. He was born in New York State in 1862, and educated at a half dozen colleges and universities and then practised law in New York City. Later he became a professor of law in the New York Law School; was nominated for mayor of New York, but declined; later becoming Governor of New York State for two terms. Some half dozen years ago he became Associate Justice of the Supreme Court of the United States, a position he holds at the present time. He is an extremely well informed and able man, but lacks the forcefulness and "punch" characteristic of Roosevelt.

Mr. Peleg Howland, who presided at the annual meeting of the Imperial Bank of Canada held a few days ago in Toronto, is president of that institution. He succeeded to the position a little over a year ago following the death of the Hon. Robert Jaffray. The present head of the Imperial Bank is a son of the late H. S. Howland, who was responsible for the organization of the bank and later became its first president. Peleg Howland, who was born at Kleinburg, Ont., in 1857, is president of the wholesale hardware firm of H. S. Howland and Company, Toronto, and is one of that city's best known business men.

Capt. Douglas Waterston.—It is generally supposed that medical officers at the front, while not exactly as safe as in their beds at home, are not exposed to the real dangers of warfare. Such apparently is not the case. Capt. Douglas Waterston, a Montreal doctor, has just been killed at the front, which he reached six weeks ago. The late Capt. Waterston was born at Belleville, Ont., in 1889, and educated at McGill, where he graduated in medicine two years ago. He acted as house surgeon at the Montreal General Hospital until a short time before he left for overseas service. The day before he was killed, his grandfather the late Capt. J. D. Waterston, a veteran warrior who commanded English transports during the Crimean War and Indian Mutiny, died in Montreal.

Sergt. C. W. Niemeyer, the Empire's champion recruiter, is now in Canada securing men for overseas service. Niemeyer, who is a big, husky, westerner, enlisted in Alberta and went overseas with the first contingent and was severely wounded at St. Julien. Before he recovered from his wounds he used to address street corner gatherings in old London with such marked success that he was retained as a recruiting officer. In the last few months he secured over 8,000 men as a result of his street corner addresses in London, England. Recently the Canadian Militia authorities had him brought over to Canada, and he is now making recruiting speeches in various Ontario cities and later on will visit other parts of the Dominion. He is needed in Quebec Province.

William H. Moore, founder of the 5 and 10c stores, which have spread throughout the world, has just died at his home in Watertown. Moore was honorary vice-president of the F. W. Woolworth Company, with its eight hundred and fifty stores scattered throughout the United States, Canada and Great Britain, and an annual turn-over of over \$76,000,000. Away back in 1878 Mr. Moore was operating a general store in Watertown, N.Y., and in a desire to improve his failing business opened a 5 and 10c counter, putting Mr. F. W. Woolworth in charge of the department. Young Woolworth made a success of it and later, with the financial assistance of Mr. Moore, launched out on his own account. Later on he attained such a success that he absorbed the business of his former employer, who became associated with the Woolworth enterprises.

James J. Hill, probably the world's best known railroad magnate, has just died at his home in St. Paul, Minn. Canadians have always taken more than an ordinary interest in his welfare, as he was born on an Ontario farm some seventy-eight years ago. Like many young Canadians of half a century ago he went to the United States, where he found an outlet for his activities and ambitions, first in the steamboat business and later in railroad work. As a comparatively young man he organized a syndicate which secured control of the St. Paul and Pacific Railroad, then in the hand of a receiver. In this work he became associated with the late Lord Strathcona, Lord Mount Stephens and Mr. R. B. Angus. From this beginning the Northern Pacific and Great Northern Railroads were built up and became in turn largely responsible for the opening up and development of the Northwestern States. James J. Hill was always more than a mere railroad man. He was a keen student of social and economic conditions, vitally interested in agriculture, stock raising, timber, as well as in all the natural resources of his adopted country. In brief, he was generally regarded as the ablest and most all-round business man in the United States, and no man's advice and counsel in the neighboring republic has been more eagerly sought than that of this former Canadian.

Hon. A. E. Kemp, M.P., who is ill at his home in Toronto, is a member of the Borden Cabinet without portfolio. He is a well-known manufacturer in the Queen's City, being president of the Sheet Metal Products, Ltd., of the Kemp Manufacturing Company, and a director of the National Trust Company and the Imperial Life Assurance Company. He was born in the Province of Quebec in 1858, but spent practically his entire life in Toronto, where he was first elected to the House of Commons in 1900.

Wall Street with its strenuous life should bear out the Osler theory. Adams, writing in the Boston News Bureau, gives a list of prominent business men who not only give the lie to the Osler theory that a man's usefulness ends at sixty, but are so far discounting that, that men of twice forty and more are actively engaged in financial affairs. Levi P. Morton, of the Morton Trust Company, recently celebrated his 92nd birthday. The two Rockefellers, John D. and William, are far past the allotted "three score and ten" of the Psalmist and yet are big factors in the financial life of Wall Street, as was James J. Hill, the railroad magnate, and many others. Going back a few years he calls to mind the fact that Russell Sage was over eighty, William R. Travers and Frank Work also doubled the age limit for usefulness set by Osler.

Prince George of Battenberg.—Since all the world loves a lover, the announcement of the engagement of Prince George of Battenberg to the Countess Nada Torby is of unusual interest. At this time in particular there is a special interest in the contracting parties owing to the position they occupy in the world drama now being enacted. Prince George, who is a naval officer, is a son of Prince Louis of Battenberg, who was compelled to resign as First Lord of the British Admiralty shortly after the outbreak of the war, owing to his German connections. The young man in question is a democratic youth, absolutely devoid of side, and won the friendly approbation of the British people a short time ago through having his picture in the papers as a coal passer on the battleship New Zealand. The young lady to whom he is engaged is a daughter of the Grand Duke Michael Michaelovitch. She has spent practically her entire life in England.

Gen. J. S. Gallieni, who resigned as French Minister of War two months ago as a result of ill health, has just died. Gallieni will be known to posterity as the man who saved Paris. At that time he was Military Governor at the French capital and when the Germans were coming down through Northern France in their seemingly irresistible sweep Gallieni conceived and carried out a brilliant movement which resulted in the turning back of Von Kluck from the very gates of Paris. He took 75,000 troops, comprising the garrison of Paris, commandeered every automobile, motor lorry and truck in the city, rushed them out to the right wing of the advancing but exhausted German Army and struck a blow which started them on their retreat to the Marne. Gallieni has been a soldier since he was a mere lad and had the unique distinction of commanding a division at a younger age than any other officer since the time of Napoleon. After the defeat of the Germans at the Marne he was made French Minister of War, but was forced to resign because of ill health. His death is a distinct loss to the Allied cause.

Lt.-Col. Victor W. Odlum.—Either the Germans have a spite at Lt.-Col. Victor W. Odlum or else, like the proverbial cat, he has nine lives. Col. Odlum, who is in command of the 7th Vancouver Battalion, has again been wounded. This is the fourth time that he has been wounded since the war started, but it is impossible to keep a good man down. "Vic" Odlum went overseas as second in command of the 7th Battalion and succeeded to the command when his commanding officer, Col. Harg McHarg was killed. Later he won the D. S. O. for gallantry in action, and has consequently been mentioned in despatches. As a boy of seventeen Odlum took part in the South African War, and did most effective work, especially at the battle of Paardeburg. On his return from South Africa he entered journalism and when hostilities broke out nearly two years ago he was managing editor of the Vancouver Daily World. Odlum is one of the youngest commanding officers at the front, being but thirty-four years of age. He was born at Woodstock, Ont., and educated in that city and at Victoria College, Toronto. He is one of the many newspaper men who have been doing effective work at the front.

BANK OF MONTREAL

Established 1817

Capital Paid Up	- - - - -	\$ 16,000,000.00
Reserve Fund	- - - - -	16,000,000.00
Undivided Profits	- - - - -	1,293,952.00
Total Assets	- - - - -	302,980,554.00

BOARD OF DIRECTORS:

H. V. MEREDITH, Esq., President		
R. B. ANGUS, Esq.	E. B. GREENSHIELDS, Esq.	SIR WILLIAM MACDONALD,
Hon. ROBERT MACKAY,	LORD SHAUGHNESSY, K.C.V.O.	C. R. HOSMER, Esq.
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Head Office, MONTREAL

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

Bankers in Canada and London, England, for the Government of the Dominion of Canada.
Branches established throughout Canada and Newfoundland; also in London, England, New York, Chicago, and Spokane.
Savings Department at all Canadian Branches. Deposits from \$1. upwards received and interest allowed at current rates.

A GENERAL BANKING BUSINESS TRANSACTED

... THE ... Molsons BANK

Incorporated by Act of Parliament 1855.

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

HEAD OFFICE : MONTREAL

Besides its 96 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.

How the Australian War Loan Was Raised

Over \$170,000,000 Raised in Two Internal Loans—Cost of Raising Loans Were 1.24 and 1.14 Respectively.

Report of Trade Commissioner D. H. Ross, Melbourne, Australia, to the Department of Trade and Commerce.

On the two occasions on which the Australian public was approached for subscriptions a grand total of £35,041,160, or (at \$4.86 to the £) £170,300,037 was subscribed to assist the Government to finance its share in the war without going to Great Britain for aid. The first Commonwealth war loan, by means of which it was hoped to raise £5,000,000, realized £13,389,440, and on the second occasion when an appeal was made for £10,000,000 the subscriptions totalled £21,651,720.

Parliament passed two Acts authorizing the raising of £20,000,000 and £18,000,000, respectively, and there is, therefore, authority still outstanding for the raising of a little less than £3,000,000. It is anticipated that at the approaching session of Parliament another Act will be passed giving the Government authority to raise further war loans should the necessity arise.

The Second Australian War Loan.

A summary of the amount raised in the last war loan, giving particulars of the number of applications and the amount subscribed in each state, is outlined thus:—

State.	Applications.	Amount.
New South Wales	9,184	£10,419,780
Victoria	11,926	7,193,930
Queensland	2,611	1,777,860
South Australia	2,741	1,315,210
Western Australia	1,394	504,130
Tasmania	1,078	439,520
London	4	1,290
Total	28,938	£21,651,720

The sources through which the applications were received were as follows:—

Commonwealth Bank	£16,217,760
Other trading banks	4,176,240
State savings banks	873,100
Post offices	384,620

Of the amounts applied for the Commonwealth Bank of Australia, the sum of £7,689,060 was applied for through stockbrokers. The amounts applied for by individual applicants were in the following proportion:—

Amount.	Applications.	Total.
£10	2,628	£ 26,280
£20	1,708	34,160
Between £30 and £50	3,929	172,070

Between £60 and £100	6,775	667,300
Between £110 and £500	9,637	3,030,870
Between £510 and £1,000	2,236	1,995,750
Between £1,010 and £5,000	1,686	4,213,650
Between £5,010 and £9,990	140	1,064,570
£10,000 and over	199	10,447,070
Total	28,928	£21,651,720

The applications of £10,000 and over were made up as follows:—

By banks	£4,255,000
By insurance and other companies	4,097,050
By private individuals, etc.	2,095,020
Total	£10,447,070

The total cost involved in raising the second war loan of £21,651,720, including commission to brokers, advertising and all incidentals expenses, as well as commission to the Commonwealth Bank was, approximately £50,237, which works out at the rate of 4 shillings and 8 pence (\$1.14) per cent on the total amount applied for, as against a rate of 5 shillings and 1 penny (\$1.24) per cent on the first issue. Included in the expense is an amount of 2 shillings (49 cents) per cent paid to the Commonwealth Bank of Australia for work in connection with the flotation and for paying interest coupons during the ten years currency of the loan, and for work incidental to the redemption of the loan at maturity. The following are the details of the expenses of flotation: Commission to brokers (¼ per cent) £19,223 Advertising 6,277 Commission to post offices (say) 1,000 Printing prospectus, receipts and other stationery (say) 782 Postages, telegrams, etc. (say) 530 Cost of printing bonds and inscription register (say) 800 Commission to Commonwealth Bank of Australia 21,625 **Total** £50,237

WAR TAX COMMISSIONERS.

An order-in-council has been passed appointing Mr. R. W. Breadner commissioner of taxation and Mr. James A. Russell, assistant commissioner of taxation, as administrators of the new Business Profits Tax of 1916. The act will be administered from Ottawa with the assistance of officials appointed to act in the several provinces. The staff is now complete and returns from business firms and corporations will be called for forthwith.

PERSONALS.

Mr. F. E. Ellis, for several years editor of Farm and Dairy, has resigned his position to take up farming. Mr. Ellis was an excellent farm journalist, and should make a good farmer.

Frank H. Weir, who for a number of years did business under the name of W. H. Weir and Son, has become a member of the Stock Exchange firm of Edgar Smith and Company. The firm will consist of Edgar M. Smith and Frank H. Weir, both of whom are members of the Montreal Stock Exchange.

The Subscription Price of the Journal of Commerce is Three Dollars per Year.



THE STANDARD BANK OF CANADA

HEAD OFFICE - TORONTO

DEPOSITS RECEIVED SUBJECT TO CHEQUE.

Savings Bank Deposits bear interest at highest current rates.

MONTREAL BRANCH

E. C. GREEN, Manager

136 St. James Street

IMPERIAL BANK OF CANADA

HEAD OFFICE, TORONTO

Capital Paid up, \$7,000,000 Reserve Fund, \$7,000,000
PELEG HOWLAND, President **E. HAY** General Manager

DRAFTS, Money Orders and Letters of Credit issued available throughout the World.

Dealers in Government and Municipal Securities.

Dealers in Foreign and Domestic Exchange.

Savings Department at all Branches.

Interest Credited Half-Yearly at Current Rates.

GENERAL BANKING BUSINESS TRANSACTED

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.

THE HOME BANK OF CANADA

ORIGINAL CHARTER 1854

Head Office, Toronto. **James Mason,** General Manager

Branches and Connections Throughout Canada.

General Banking Business Transacted
MONTREAL OFFICES

Main Office, Transportation Bldg., St. James St.
Bonaventure Branch, 523 St. James St.
Hochelega Branch, Cr. Cuivillier and Ontario Sts.
Mt. Royal Branch, Cr. Mt. Royal and Papineau Ave.

ESTABLISHED 1872

BANK OF HAMILTON

Head Office: HAMILTON

CAPITAL AUTHORIZED..... \$5,000,000
CAPITAL PAID UP..... 3,000,000
SURPLUS..... 3,475,000

CANADIAN GOLD SHIPMENTS.

According to the Boston News Bureau, United States Bankers Believe Metal has been Quietly Brought From South Africa and Stored at Ottawa.

N.Y.—Since Bank of England returns the last two weeks have failed to reflect current importations of gold from Canada, and the Bank of France's gold holdings have increased, local bankers are inclined to see a confirmation of their convictions, that there was a good deal of secrecy in regard to movements of British gold, particularly consignments from South Africa.

It is believed this gold from Ottawa, which has now reached \$20,700,000 on present movement, is gold quietly brought from South Africa and deposited at Ottawa and that it is not Bank of England gold, but belonged to the British government.

For a long time there had been no reported arrivals of South African gold in London or large purchases of Bank of England, the usual weekly custom. Owing to danger from submarines on South African steamship routes, and the fact that the British Government would need to put itself in possession of gold for deposit in this market when at any time it should be deemed advisable for stock market purposes to suspend sale of American securities here, it seems plausible that the regular movement of yellow metal from Cape Town would be diverted to this side and that the British government would be the direct purchasers.

As there are no other great demands upon the Bank of England's gold at this time from other parts of the world, the present may have been considered a good opportunity to rehabilitate the British gold reserve on this side. If so, it affords another illustration of how fortunate England is in possessing such a valuable asset at present, and the immense service such a gold supply renders in financing the allies' cause. The steady flow of gold from South African mines is being passed out again to liquidate external obligations.

It is an interesting conjecture how Germany would have managed had she been able to import supplies from outside for carrying on the war. She certainly has no such inexhaustible fountain within her dominions.

PRESS ASSOCIATION OFFICIALS.

The annual meeting of the Canadian Press Association was held in Toronto last week, when the following officials were elected for the coming year: President, John Ross Robertson, Telegram, Toronto; Vice-President, C. F. Crandall, Star, Montreal; Secretary-Treasurer, J. E. Atkinson, Star, Toronto.

Board of Directors: John Nelson, World, Vancouver; J. H. Woods, Herald, Calgary; R. L. Richardson, Tribune, Winnipeg; E. T. Macklin, Free Press, Winnipeg; W. J. Kerr, Province, Regina; W. J. Blackburn, Free Press, London; J. E. Atkinson, Star, Toronto; J. Ross Robertson, Telegram, Toronto; J. F. Mackay, Globe, Toronto; Norman Smith, Free Press, Ottawa; M. Chrevier, Le Devoir, Montreal; E. F. Slack, Gazette, Montreal; E. W. McCready, Telegraph, Halifax; G. F. Pearson, Chronicle, Halifax; C. F. Crandall, Star, Montreal.

TORONTO BONDS SOLD WELL

Some dozen financial houses tendered for the \$2,699,000 worth of debentures which the City of Toronto has just marketed. The debentures were opened on May 30 the offer of A. H. Martens and Co., of Toronto, in conjunction with Hirsch, Lilenthal and Co., of New York, being the highest. They took the whole issue at 99.637, which means the city will pay 5.03 per cent. interest on the money obtained. The sale, which is the first made since the appointment of Mr. Thomas Bradshaw as City Treasurer, is considered a remarkably good one, and a clear indication that the credit of Toronto ranks very high in the financial world. It should be noted that the issue is a serial one, and to this fact and the able manner in which the preparations were made for marketing the issue is due the high price obtained. The last issue of long term debentures made by the City in September, last year, \$3,500,000, on the old plan bearing interest at 4-1-2 per cent, only realized 91.50, which meant the city had to pay 5-8 per cent, for its money.

IMPORTANT ANNOUNCEMENT

"CANADIAN INDUSTRY, COMMERCE & FINANCE" is reviewed on Page 14 of this issue.

THE BANK OF BRITISH NORTH AMERICA

Established in 1836
Incorporated by Royal Charter in 1849.

Paid up Capital..... \$4,866,586.66
Reserve Fund..... \$3,017,333.33

Head Office: 5 Gracechurch Street, London
Head Office in Canada: St. James St.
Montreal

H. B. MACKENZIE, General Manager

This Bank has Branches in all the principal Cities of Canada, including Dawson City (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

THE Royal Bank of Canada

Incorporated 1869

Capital Authorized - - - - \$25,000,000
Capital Paid up - - - - \$11,560,000
Reserve Funds - - - - \$13,236,000
Total Assets - - - - \$200,000,000

HEAD OFFICE: MONTREAL
SIR HERBERT S. HOLT, President
E. L. FEASE, Vice-President and Managing Director
C. E. NEILL, General Manager

325 Branches in CANADA and NEWFOUNDLAND; 41 Branches CUBA, PORTO RICO, DOMINICAN REPUBLIC COSTA RICA and BRITISH WEST INDIES

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

SAVINGS DEPARTMENTS at all Branches

U. S. DIVIDEND DISBURSEMENTS.

Interest and dividend disbursements next month by United States companies, as compiled by the Journal of Commerce, New York, will amount to \$136,986,870, against \$115,165,675 in June a year ago. Stockholders will receive \$64,386,870, against \$46,865,675. Industrial payments will reach \$45,039,922, an increase of \$15,451,430 which is explained in large part by the fact that the United States Steel Corporation will pay out to holders of the common stock the sum of \$6,353,781, whereas a year ago no disbursement was made on this issue. There are a number of other additions to next month's list as well as numerous extra or larger dividends. As usual, the more important changes appear in the returns covering industrial corporations. Incidentally payments will be made in some cases on enlarged capitalization. Interest payments will aggregate \$72,600,000, against \$68,300,000 in the corresponding month a year ago, the increase representing new bond and note issue.

FURTHER INCOME TAX

Chancellor MacKenna has announced an additional income tax of 2 shillings in the pound on income derived from American securities, which the Treasury is prepared to purchase under the mobilization scheme. Deposited securities are to be exempt from this penal impost. The stream of securities for sale or deposit naturally is flowing faster.

ONTARIO ISSUE SOLD.

The National City Bank, of New York, has purchased from the Province of Ontario an issue of \$4,000,000 of 5 per cent bonds, which has been offered for public subscription. The bonds run for ten years, and the proceeds will be issued to take up an issue of \$3,000,000 of short term bonds, which mature at an early date.

The Canadian Bank of Commerce

ESTABLISHED 1867

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

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BRANCHES IN CANADA

44 in British Columbia and Yukon. 83 in Ontario. 81 in Quebec. 129 in Central Western Provinces. 23 in Maritime Provinces.

BRANCHES AND AGENCIES ELSEWHERE THAN IN CANADA

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

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

SAVINGS DEPARTMENT

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

CANADIAN BANK CLEARINGS.

The total clearings of Canadian banks for the week ending June 1, 1916, amounted to \$200,875,982, an increase of 83.8 per cent over the corresponding week last year, representing five days only. The following table gives the figures for the weeks' ending June 1, 1916; and the percentage gain or loss compared with last year.

	Week ending June 1, '16.	% Increase.	Week ending May 25, '16.
Montreal	\$75,322,946	99.8	\$63,689,115
Toronto	49,951,714	58.2	46,715,898
Winnipeg	40,910,238	141.9	35,808,067
Vancouver	6,063,048	35.7	5,016,452
Ottawa	4,975,889	53.2	3,941,367
Calgary	4,281,588	117.0	3,938,706
Hamilton	3,923,696	23.1	3,045,982
Quebec	2,877,976	...	2,877,976
Edmonton	2,057,742	25.8	1,861,843
Halifax	2,608,212	33.2	1,846,987
St. John	1,635,733	...	1,635,733
Regina	1,918,826	69.2	1,630,360
London	1,935,448	18.9	1,499,128
Victoria	1,895,735	59.9	1,181,100
Saskatoon	1,054,114	88.5	939,157
Moose Jaw	755,423	8.7	687,147
Brantford	625,308	57.7	541,874
Berlin	578,078	...	452,951
Fort William	538,534	74.1	427,996
Brandon	458,847	42.8	414,091
Lethbridge	450,793	79.5	394,766
Sherbrooke	432,792	...	392,477
Medicine Hat	378,647	108.6	312,961
New Westminster	285,744	1.5	213,730
Total	200,875,982	93.8	178,043,817

FRENCH FATHERLESS.

There are 800,000 children in France fatherless through the war, according to statement made in the French Senate. This is 10 per cent more than average French birth total, and amounts to more than half childhood of France. The Government will care for every one of these "wards of the nation," although religious question complicates matters.

MUNICIPAL BOND SALES.

The municipal bond sales in Canada for May, as compiled by The Monetary Times, amounted to \$2,499,167, compared with \$2,444,852 for April and \$3,464,281 for the corresponding period of last year.

Comparing the record of May, 1915, with that of the month just ended, the bond sales are as follows:

Canada	\$3,464,281	\$2,499,167
United States	600,000	7,399,000
	\$4,064,281	\$9,898,167

PERSONALS.

W. R. Ingram, chairman of the Prairie Province branch of the Canadian Manufacturers' Association, is in Ottawa where he is appearing before the Board of Railway Commissions on behalf of the Canadian Manufacturers' Association, several western boards of trade and many other large shippers, who oppose the increased charges for transporting perishable freight, both from Eastern and Western Canada, and between points in Western Canada locally.

MAY BANK CLEARINGS.

The aggregate clearings of Canadian banks for the month of May last amounted to \$909,167,776, an increase of \$327,531,196, or 56.4 per cent over the corresponding month of last year. This record is only exceeded by one month, December of last year, in the history of Canadian banking. Montreal clearings of \$333,428,627 represent the largest turnover in the history of Montreal and stand \$129,810,192, or 63.7 per cent, higher than the total of May, 1915. The month's total of \$230,467,743 at Toronto also constituted a new high record and made a gain of \$80,000,000 or slightly more than 53 per cent, over last year. The returns at Winnipeg foot up largest during the fall months, when the crop movement is in full swing, but last month's total of \$169,187,263 stands \$76,565,122, or 82 per cent, above last year.

A pupil in a school near Chatham square, New York city, thus defined the word "spine":
"A spine is a long, limber bone. Your head sets on one end, and you set on the other." — Pippincott's Magazine.

ESTABLISHED 1832

Paid-Up Capital
\$6,500,000



Reserve Fund
\$12,000,000

TOTAL ASSETS OVER \$100,000,000

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

THE BANK OF NOVA SCOTIA

THE EXPORTER'S FIELD

Trade Inquiries

The following inquiries relating to Canadian trade have been received by the Department of Trade and Commerce during the past week and appear in the current issue of the Weekly Bulletin. The names of the firms making these inquiries, with their addresses, can be obtained by those especially interested in the respective commodities upon application to: "The Inquiries Branch, The Department of Trade and Commerce, Ottawa," or to the Editor of the Journal of Commerce.

Please Quote the Reference Number when Requesting Addresses.

610. Paper.—A Hull firm which is in the market for 135 tons of various kinds of paper invites correspondence with manufacturers.

611. Eggs.—A Newcastle merchant invites correspondence with Canadian shippers of eggs, especially those cold stored or pickled for the winter months.

612. Paper.—A firm of Newcastle manufacturing stationers wishes to hear from Canadian manufacturers of paper.

613. Brushes.—A Hull firm invites correspondence with Canadian manufacturers of brushes. Samples should accompany offers. They will either buy outright or act as agents if desired.

614. Wire rods.—A Bradford firm, which has used about 700 tons of wire rods per annum, for overseas since the war began, wishes quotations from Canadian shippers on wire rods and thick sizes of wire.

615.—Agent.—A Hull provision agent offers his services to Canadian shippers wishing to introduce their lines into the northeastern district of England.

616.—Mild steel plates.—An inquiry is made by a firm in Rotterdam, Holland, for the addresses of Canadian manufacturers of mild steel plates suitable for the manufacture of expanded metal. Full specification of requirements is obtainable on application to the Commercial Intelligence Branch, Department of Trade and Commerce, Ottawa.

617. Tissue paper for letter-copying books. — A Russian Commission house with large connection among manufacturing stationers is able to arrange cash purchases of tissue paper for letter-copying books; quotations f.o.b. New York and samples to be forwarded at once to permit of shipments being made this season.

618. Ledger paper.—Russian firm desires to hear from first-class manufacturers of ledger paper. Will purchase for cash subject to prompt delivery. Is familiar with United States product. Samples with quotations f.o.b. New York to be sent immediately.

619. Office requisites.—Important Russian firm in market for large quantities of metallic parts of office letter files, letter file perforators, and miscellaneous useful articles and quotations f.o.b. New York required by return of post; cash against documents.

620. Toys.—A London firm handlings toys of all kinds is desirous of securing the representation of Canadian manufacturers.

621. Hardware.—A firm in Newfoundland conducting a general business is open for trade connections with Canadian exporters of locks, hinges, window fasteners, glass, roofing felts, sheathing paper and building supplies generally in use.

622. Small hardware, dies and bolt threading.—A Glasgow firm would like to get into communication with manufacturers of the above who can supply a very cheap line.

623. Corrugated packing. — A Glasgow firm wishes to receive quotations for the above in rolls 250 feet long and widths 73 inches and 76 inches.

624. Travelling bag frames.—A Glasgow firm, formerly supplied from the continent, would like quotations for cheap frames.

625. Salted pigskins.—A large tannery concern is prepared to purchase green salted pigskins. Quotations c.i.f. Glasgow.

626. Surgical instruments.—A Glasgow firm, formerly importing from the continent, wishes to enter into correspondence with Canadian manufacturers.

The Subscription Price of the Journal of Commerce is Three Dollars per Year.

Possible Markets

PARAGUAY.

Paraguay is an inland Republic with an area of approximately 214,942 square miles, situated between the Republics of Argentina, Brazil, and Bolivia. The Paraguay River, navigable to the northern limits of the Republic for steamers of about 5 feet draft, furnishes a water route to the Atlantic Ocean by means of the Parana River, with which it joins at Corrientes, in Argentina, and the Rio de la Plata. The eastern boundary of Paraguay has river connection with the sea coast by means of the Parana River. The Paraguay Central River, operating about 255 miles of line, runs from Asuncion, the capital of the Republic, to Encarnacion, a city on the eastern boundary of the country. From Encarnacion the trains of the Paraguay Central Railway are transported by means of ferryboat to Posadas, in Argentina, and from there run to Buenos Aires over the lines of the Argentine railways.

Climatic Conditions, Population, Etc.

The climate of Paraguay is subtropical, with a maximum temperature of 41 deg. centigrade, reached during December, January, and February, and a minimum temperature of 1 deg. to 4 deg. during June, July, and August. The average rainfall is about 65 inches per annum.

The population of Paraguay is variously estimated at 800,000 to 1,000,000, including a large number of nomadic Indians.

The capital, principal city, and distributing centre is Asuncion, with about 75,000 inhabitants, situated about 1,100 miles from the seacoast on the Paraguay River. It has a good natural river harbor, averaging about 10 feet in depth.

The principal industries of the country are cattle raising, agriculture, and lumbering. There is practically no manufacturing carried on. The medium of exchange is a depreciated paper currency, the exchange value of which is about 40 paper pesos to one American dollar. There is no Paraguayan metal currency in circulation.

The Foreign Trade.

The total value of imports into Paraguay during 1915 was \$2,322,378, being \$2,646,737 less than during 1914. The total value of exports from the country during 1915 was \$5,424,694, a gain of \$1,001,803 over 1914. The exports consisted chief of lumber, quebracho extract yerba mate, tobacco, oil of petitgrain, fruits, live stock, meat products, and hides.

The following is a partial list of the principal imports into Paraguay during 1914, with value: Live animals, \$63,174; arms and ammunition, \$58,490; beverages, \$198,221; carriages and autos, \$34,033; chemicals and drugs, \$226,527 china and glassware, \$71,625; clothing (ready-made), \$104,961; electrical supplies, \$82,913; footwear, \$37,967; furniture, \$24,500; hats, \$40,854; hardware \$1,111,579; hides and skins, \$30,842; musical instruments, \$17,040; public works (government), \$250,350; provisions, \$1,318,863; textiles, \$980,838; tobacco, \$14,356.

These articles were imported chiefly from Argentina, Great Britain and Germany, those from Argentina being valued at 0898,232 in 1914; from Great Britain at \$1,132,155, and from Germany at \$1,349,072.

Agricultural Conditions.

Agriculture in Paraguay has hardly progressed beyond the experimental stage. It is but recently that modern implements and machinery have begun to be used here.

Modern ploughs are unknown to about 90 per cent of the farmers here, a sharpened stick being used for turning over the soil. The ax is used for clearing the ground and the machete for cutting weeds and underbrush. The cultivation system in general use is to plant a tract for about five years in succession, and to move to another tract when the fertility of the first tract begins to lessen. There is practically no use of artificial fertilizing materials.

Through the efforts of the Banco Agricola, a considerable quantity of agricultural machinery was introduced during 1915, all of it being of American manufacture. Among the implements and machines introduced were hand and wheel ploughs, disk and tooth harrows, alfalfa renovators, planters and cultivators, hand and power thrashing machines, a large rice cultivator, two steam tractors, the first to be introduced into the country, and various other

implements and machines. This bank also imported from the United States during 1915 a considerable quantity of cotton and vegetable and cereal seeds for planting here.

Industrial Development.

Two industries that have revived since the war started are the Quebracho Extract, and the Sugar industry. The former is used largely in tanning and the demand has been abnormal during the past two years. The production of sugar has increased considerably since the beginning of the war, mostly for home consumption. Tobacco is also a widely cultivated crop, and serious attempts are now being made to develop the cotton and rice growing industries. Oranges are also grown in considerable quantities. The live stock industry is one of the most important, the number of cattle in the country being about 3,000,000.

TOILET ARTICLES IN THE CAUCASUS.

The Caucasus district, which has a population of over 12,000,000, offers an excellent market for toilet soaps and perfumery, according to Commerce Reports. The principal competition is with the Russian factories, which turn out fairly good products at reasonable prices. Many of these factories, however, are at Riga and their work is temporarily suspended. Russian toilet soap, as a rule, is soft and highly scented and comes in rectangular and oval cakes about the size of Pears' soap, or slightly larger, retailing at 5 to 50 cents.

The following soaps and perfumery are imported: From France, Ed. Pinaud, Roger and Gallet, and Pivert; from Great Britain, Pears' and Minolea.

Perfumery of all kinds and at all prices is in demand. The greater the novelty the greater the demand if the article is properly advertised. In these lines anything can be sold provided it is (1) well advertised, (2) always in stock, and (3) cheap.

The best way to do business is through a commission agent, who sells to wholesale dealers and large retailers. The next best course is to establish connections with one or more large wholesale houses.

Points to be kept in view are the following: Credits are indispensable, and under no conditions should cash with order be suggested; it is best to have no dealings with a firm which you can not have confidence in. Quotations should be made c. i. f. Russian port (at present Vladivostock), whence goods should be sent by parcel post. If an agent is appointed, he should always keep a good stock on hand. In fancy soaps and perfumery the public, as a rule, does not know what it wants until it is told, and advertising is the best way to convey the information. Placards, posters in Russian, Armenian, and Georgian, and street-car and moving-picture theatre advertising are better than newspapers. Correspondence should be in Russian, or, if this is impracticable, in French. English is not generally understood. It would be well to send a complete line of samples to one of the larger firms with a definite proposal, made as attractive as possible.

CANADIAN DRY GOODS IN AUSTRALIA.

Considerable difficulty in securing sufficient shipments of dry goods to Australia is reported in a recent letter from the Canadian Trade Commissioner at Melbourne. Stocks have been completed, and as the Australian mills are working to capacity on army clothing merchants have to depend solely on the foreign article. Flannels, blankets and similar lines are in urgent demand. Canadian mills have been making a bid for the business, and the agent reports that "new lines of samples of Canadian hosiery, underwear and novelties of competitive values, have been received by various Australian agents, and considerable business is anticipated."

This is upheld by statements from Canadian manufacturers, and in several cases quite a large trade has been worked up on lightweight underwear, cotton goods, hosiery and dress goods. Canadian mills are also busy on army clothing, however, and delivery is the big problem, but there is no doubt that the Australian field offers many inducements at the present time that should receive serious attention.

Foreign Industry and Commerce

U. S. PRODUCTION OF SULPHURIC ACID.

The production of sulphuric acid, expressed in terms of 50 deg. acid, in the United States in 1915 was 3,868,152 short tons, valued at \$29,869,080, together with 189,795 short tons of oleums or fuming acid of different strengths, valued at \$2,787,971, making a total of 4,057,947 short tons, valued at \$32,657,051. These figures, made public by the United States Geological Survey, include so-called by-product acid, or acid produced at copper and zinc smelters. The production of acid from this source in 1915 was 1,056,830 short tons, expressed in terms of 50 deg. acid, valued at \$7,042,126, together with 59,189 short tons of oleum of different strengths, valued at \$579,115.

AUSTRALIA'S REVENUE AND LOANS.

The customs revenue for the Commonwealth during the nine months ended March 31 showed an increase of £1,261,046 over the figures for the corresponding period of 1914-15. The total customs revenue for the first three quarters of the present financial year was £12,438,963, and the receipts for the year may therefore be estimated at approximately £17,000,000, or about £2,000,000 more than in 1915. The increase has not been spasmodic nor confined to any one state. The figures made available at the end of each month show a constant increase; for March, it amounted to £385,844, and all the states, except Queensland and Tasmania, which experienced slight decreases, shared in it.

The receipts of the Postal Department show a gratifying increase, the difference in the revenue for the nine months, as compared with the first three quarters of 1914-15, being a little over a quarter of a million.

For the nine months ended on March 31, the total revenue of the Postmaster-General's Department (postal, telegraphic and telephonic) was £3,689,229, showing an increase over the previous similar period of £259,412.

The Commonwealth note issue at the end of March amounted to £43,324,730, and the gold reserve was £15,741,911, or 36.33 per cent. The amount of gold held by the Treasury on February 23 was £14,938,232, or 35.03 per cent. During March the banks lodged with the Treasury approximately £500,000 in gold as a portion of the £10,000,000 which they agree to advance to the Commonwealth—free of interest—against £10,000,000 worth of notes.—Trade and Commerce Bulletin.

CANADIAN TRADE WITH NEW ZEALAND.

During the fiscal year ending March 31, 1916, the value of Canadian goods exported to New Zealand amounted to \$3,574,455, as compared with \$2,929,370 during the corresponding period ending March 31, 1915. A complete list of these imports, along with additional important information, is contained in a report from the Canadian Trade Commissioner in Auckland appearing in Weekly Bulletin, No. 643, of the Department of Trade and Commerce.

In connection with the appointment of agents in New Zealand, Trade Commissioner Ross says: "It is desirable that this office should know whether any agent has been appointed in New Zealand, and it is particularly important to know whether the agent appointed is also the sole agent for a firm in the same line of business. To create agencies in New Zealand without knowing whether the agent appointed represents other firms in the same line of business seems a shortsighted policy. An agent cannot represent several firms doing the same business. He must necessarily neglect the one and favor the other. It means also that the firm for whom no business is done, being tied up, cannot engage another agent until the original contract has expired. This leads to bad feeling and loss of business. The average business man will at once appreciate the importance of this."

"Then again, without a knowledge of the subject, when a New Zealand house desires to act for a Canadian house, unless this office is informed as to whether an agent has already been appointed, useful information cannot be given."

The Subscription Price of the Journal of Commerce is Three Dollars per Year.

UNITED STATES MUNITION STOCKS.

Peace Talk and the Outlook for U. S. Industries as Viewed by Spencer Trask & Co., of New York.

Contrary to the experience of past months, the dominating influence on the stock market in May has been the wide-spread talk of peace. That peace is most earnestly to be desired at an early date—the earliest date would be none too soon—goes entirely without saying. Unfortunately, however, we see no chance whatever of an early peace. In fact, it is our judgment that peace made as matters stand now, and on the lines thus far reported, would settle nothing, and would but develop from the start into a form of armed truce during which all nations, from the biggest to the smallest, taking their cue from the experiences of the present war, would prepare feverishly in every possible way for another break, the quickest to be prepared being the first to act aggressively. In short, as we view it, peace now would be the first step towards another contest far more terrible than the present, and surely this one is fierce enough for the most bloodthirsty.

Applying this reasoning to stocks, peace to-day would soon prove the strongest kind of incentive for a renewed outbreak of speculation in every conceivable war stock, although we quite appreciate that while negotiations were going on such stocks would pass through a period of readjustment which might force them down to a lower level than prospects for the following years warranted.

As matters stand, however, it seems to us as if the rate at which all war material is being consumed in the great offensive movements now being pushed on several fronts will make necessary a renewal of many war orders, even though the output of the beligerent nations be now many times what it was when the first wave of munition buying spread over this country. Now that the purchasing of munitions is being conducted in a much more orderly manner, there will be less occasion for the great speculative movements both in materials and in stock that developed a year ago. At the same time, the work in sight for our factories for foreign and domestic account is so great that we see no material let-up in industry and commerce for months to come.

SOUTH AFRICAN ASBESTOS.

Although there are extensive deposits of asbestos in many parts of British South Africa, little interest has been taken in the possibilities of mining it, remarks the American Vice-Consul at Cape Town. Many who owned land having such deposits upon it refused to engage to any extent in operations for its recovery, preferring to wait until a suitable market was permanently established. The industry now has a more hopeful future, as many asbestos merchants are endeavoring to establish and maintain foreign markets. The principal markets in the past have been in England and on the Continent, but the war has affected the conditions. During the years 1909 to 1911 a larger quantity of asbestos was shipped from South Africa to the Continent than to the United Kingdom, while in 1913 and 1914 the reverse was the case. Now shipments to parts of the Continent have ceased. As a result of these developments several of the local asbestos exporters are looking to the United States as a prospective market for their products. The mineral is being obtained in Cape Colony, principally in the Kuruman, Hay, and Prieska divisions. Ten concerns were working during 1914, though the number producing in December of that year was only six.

ARCHANGEL MAY REOPEN SOON.

Archangel and other White Sea ports will probably be reopened to commercial shipments on June 15, although the Russian Government has so far not committed itself to any definite date. Meanwhile, every effort is being made to facilitate the movement of such cargo as was ready for shipments prior to the issuance of the decree. The broad-gauge railroad from Petrograd to the new port of Soroka on the White Sea is open for traffic, and it is expected that this will prove a large factor in making possible the reopening of the White Sea at an early date. The first section of the railroad from Soroka to the Russian capital runs to Petrozavodsk, about 237 miles; from that point to Zvanka, a distance of 176 miles, and the third section, from Zvanka west to Petrograd, is only 73 miles long.

WORLD'S PETROLEUM PRODUCTION.

The increasing demand for petroleum and its products, both in the United States and the world at large, lends interest to a compilation by the foreign trade department of the National City Bank of New York showing world production of petroleum and the share thereof contributed by the United States from the earliest date of that industry down to the present time. This compilation shows that the United States produced in 1915 66.3-10 per cent of the world's output of crude petroleum. The world production of petroleum in 1915 is stated at 440 million barrels of 42 gallons each, against 328 million barrels in 1910, 149 millions in 1900, 77 millions in 1890, 30 millions in 1880, 6 millions in 1870 and about a half-million barrels in 1860.

Of this world production, that of the United States was in 1915 292 million barrels, against 210 millions in 1910, 64 millions in 1900, 46 millions in 1890, 26 millions in 1880, 5 millions in 1870, and a half-million in 1860, when they produced practically all the petroleum output of the world.

The world's principal mineral oil producers and their output in 1914 were: United States, with a product of 266,000,000 barrels, Russia 66,000,000 barrels; Mexico, 21,000,000 barrels; Roumania, 13,000,000 barrels; Dutch East Indies, 13,000,000 barrels; India, 8,000,000 barrels.

HANKOW—"THE CHICAGO OF CHINA."

A recent report of the Canadian trade commission in China to his department contains a fund of interesting information concerning the port of Hankow.

Hankow is the fourth greatest trading centre of China, ranking next in importance to Canton, Shanghai and Tientsin. It is situated on the Yangtze at the mouth of the Han river, and has a population of about 500,000.

The total value of direct foreign trade of Hankow in 1914 was: Imports, Hk. tils., 64,700,000; and exports, Hk. tils., 76,600,000; being a total trade of Hk. tils., 141,300,000 or \$95,377,500, Canadian currency. The chief imports were cotton yarn, cotton piece-goods and sugar. Tea heads the list of exports and hides, wood, oil and beans come next.

There are several great industries in Hankow and its vicinity. In Han Yank, a neighboring town, is the Han Yey Ping Iron and Coal Co., which has a capital of Mex. \$20,000,000 and employs 3,000 laborers. The Pinghsien colliery and the Tayeh mine produce vast quantities of coal and iron respectively. The Wuchang Cotton Mills and Silk Mill employ 5,700 operatives. There is also a government paper mill employing 200 natives.

Hankow at present is connected with the surrounding country with but one railway line which stretches about 700 miles north to Peking. If, however, the projected railway developments materialize, Hankow will ultimately be in communication by rail with all parts of the Empire. Of these lines the most important will be the Hankow-Canton and the Hankow-Szechuen Railways, which will facilitate infinitely trade with these two most important districts.

WAR PROFITS IN ITALY.

An Italian decree forbids commercial companies of every kind from distributing, after 1915, a dividend of more than 8 per cent on the paid-up capital, unless during the last three years they have paid higher rates. In cases where a higher rate has been paid, the limit is fixed at the mean of three years preceding the war.

Companies established after May 23, 1915, may pay a dividend of 10 per cent on the paid-up capital. In both cases any surplus has to be carried to a special reserve fund. A penalty of \$2,000 is fixed for violation.

Italy has no excess profit law, as has England, France and Holland. Local representatives of Italian companies say the object of the law limiting distribution of profits is to prevent money going out of Italy as dividends while the country is at war. These special reserve funds mean the business interests of the nation will have available cash resources at all times.

CANADIAN INDUSTRY, COMMERCE & FINANCE

By J. J. HARPELL

431 Pages

Issued Annually

A comprehensive and authoritative Review of Industrial, Commercial and Financial Methods and Terms of Canadian Business.---Including a Complete Directory of Marketable Commodities produced in Canada, with information concerning each, and by whom they are manufactured.

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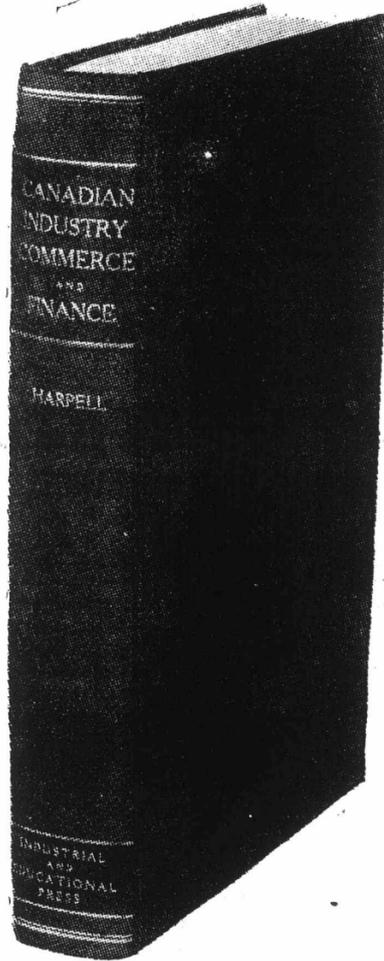
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This book has been compiled and published as a Companion Volume to the Journal of Commerce, and is included with each subscription to the JOURNAL OF COMMERCE at the regular Price of Three Dollars per year.

The Book is Published and Distributed by

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Policies Issued From \$500 to \$5,000
TOTAL BENEFITS PAID.....\$42,000,000

FRED J. DARCH, S.S.,
ELLIOTT G. STEVENSON, S.C.R.,
Temple Bldg., Toronto, Can.

The building stone for the new Union Depot at Toronto will be cut on Grand Trunk property at Port Edward, Ont. In order to avoid the duty on stone, which will be quarried in Illinois, it will be sent to this port in boats in rough state and will be worked up here.

The Subscription Price of the Journal of Commerce is Three Dollars per Year.

LIFE UNDERWRITERS' CONVENTION.

The Life Underwriters' Association of Canada will meet at Hamilton from July 19-21. Probably never in the history of the Association has there been so strong a galaxy of prospective speakers, and every life man who can possibly manage it should make it a point to be present.

Amongst those who are expected to address the gathering are E. A. Woods, of Pittsburg, Manager of the Equitable Agency in that city. Mr. Woods, who is President of the National Association of Life Underwriters, will speak on the subject of "Salesmanship." Another well-known speaker will be W. J. Graham, head of the Equitable Life's Group Department; while W. M. Horner of Minneapolis and the Hon. J. D. Barry, formerly Commissioner of Insurance for Michigan and now of the Metropolitan Life, will round out a strong galaxy of American speakers.

The Canadians who have been asked to address the gathering include J. B. McKechnie, General Manager of the Manufacturers' Life, "By-Products of Life Insurance"; J. F. Weston, General Manager of the Imperial Life, Toronto, "Patriotism of Life Insurance"; W. J. Langstaff, Actuary of the Dominion Life, of Waterloo, "Facts, Figures and Fallacies of Life Insurance Canvassing"; T. C. Tweed, of the Northern Life, on "Training of Agents"; Mrs. G. R. Baker, of the North American Life, on "Woman in the Life Insurance Field." As Mrs. Baker occupies the most outstanding position in Life Insurance of any of her sex in Canada her paper will be looked forward to with interest.

E. R. Machum, of Halifax, will open a discussion on the cut-rate question and E. Marwick of Hamilton will take the negative of the debate, "Resolved that the Rate Book contains too many Plans."

SUCCESS IS NOT CHANCE.

Success is not a matter of chance, but is a matter of right thinking, combined with right doing. If an agent's mind is filled with doubts and fears, it affects his doing and makes his efforts timid and largely ineffective. It is impossible to make the results of effort the opposite of that which is held in the mind, because out of the mind is formed the pattern by which the work is done. The mental attitude, if in the direction of successful endeavor, will inevitably lead to success, one success laying the foundation for another, and by this upbuilding the agent climbs to the top. It is never luck that wins, but persistent, consistent, energetic effort inspired by courage and a correct uplifting mental attitude that enables an agent to climb the ladder of success to the very top-most round and leads the less successful one to dub him "the lucky agent."—The Silent Partner.

When one reads an item referring to some outstanding personage in business or commercial affairs there arises the query

Who is he?

Short biographical sketches of those persons

Mentioned in Despatches

during the week will be found in each issue of the Journal of Commerce.

EVERY ITEM OF INTEREST.

We shall be glad to look after that part of your private affairs that you find irksome and troublesome, such as letting of houses, collection of rents, &c.

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"A LITTLE NONSENSE NOW AND THEN."

Employer—Well, what did he say when you called to collect that bill?

Clerk—That he would break every bone in my body and pitch me out of the window if I showed my face there again.

Employer—Then go back at once and tell him he can't frighten me by his violence.

A little colored girl, a newcomer in Sunday school, gave her name to the teacher as "Fertilizer Johnson." Later the teacher asked the child's mother if that was right.

"Yes, ma'am, dat's her name," said the fond parent. "You see, she was named fer me and her father. Her father's name am Ferdinand and my name s Liza. So we named her Fertilizer."

The Doctor—"Mrs. Brown has sent for me to go and see her boy, and I must go at once."

His Wife—"What is the matter with the boy?"

The Doctor—"I do not know, but Mrs. Brown has a book on what to do before the doctor comes, and I must hurry up before she does it."—Christian Register.

An old lady who was sitting on the porch of a hotel at Asheville, North Carolina, where also there were a number of youngsters, was approached by one of them with this query:

"Can you crack nuts?"

The old lady smiled and said: "No, my dear, I can't. I lost all my teeth years ago."

"Then," said the boy, extending two hands full of walnuts, "please hold these while I go and get some more."—Harper's Monthly.

The newspaper humorist went courting. He stayed late, very late, so late that the old man called down to his daughter, "Phyllis, hasn't the morning paper come yet?"

"No, sir," answered the funny man, "we are holding the form for an important decision."

And the old man went back to bed wondering if they would keep house or live with him.

"Bobby," inquired the mother, "did you wash your face before the music teacher came?"

"Yes'm."

"And your hands?"

"Yes'm."

"And your ears?"

"Well, ma," said Bobby, judicially, "I washed the one that would be next to her."

A lady passing along the street espied a little boy sitting on a doorstep bitterly sobbing. Seeking to comfort him she inquired:—

"What is the matter, my little man?"

"Boo-hoo, mama's gone and drowned all the little kittens."

"Poor child," she said soothingly, "I am very sorry."

"Yes, an' she promised me I could do it."

A negro preacher was edified on one occasion by the recital of a dream had by a member of his church. "All dis time," said the narrator, "I was a-dreamin' dat I was in Ole Satan's dominions. I tell you, pahson, dat sho' was a bad dream!" "Was any white men there?" asked the dusky divine. "So—plenty of 'em," the other hastened to assure the minister. "What was they doin'?" "Every one of 'em," was the answer, "was a holdin' a cullud pusson between him an' de fire!"

It was New Year's eve, and the old countryman who had been imbibing rather freely was carrying a quart bottle of old Scotch under his arm for the morrow's rejoicings. Whilst boarding a tramcar for the homeward journey he slipped, and the whisky bottle went crash on the pavement. A gentleman assisted him to arise, and inquired if he was hurt. "Not a bit, I'm a' richt," said he, "but," mournfully surveying the shattered fragments, "there! New Year has come and gone!"

Patrick McGee was very downhearted. He had just spent most of his savings to pay his passage over to this country from Ireland, and on arriving found no immediate prospect of a job. He was roaming idly about the docks on the river front in New York when he chanced to see a diver climb up out of the water, take off his helmet, roll up his suit, and walk away. "Sure," said Pat, "if I had known about thim things, I'd ha' bought me a suit like that and walked over meself."

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Capital Fully Subscribed	\$14,750,000
Capital Paid Up	1,475,000
Life Fund and Special Trust Fund	72,629,385
Total Annual Income Exceeds	45,000,000
Total Funds Exceed	133,500,000
Total Fire Losses Paid	174,226,575
Deposits with Dominion Government	1,208,433

Head Office, Canadian Branch:—Commercial Union Bldg.,
232-236 St. James Street, Montreal.
Applications for Agencies solicited in unrepresented districts.
W. MCGREGOR - - - Mgr. Canadian Branch
J. S. JOPLING - - - Asst. Manager

The Economic Effect of War

How Will Canadian Business be Affected by the Cessation of Hostilities?

By R. D. B., for Greenshields & Company's Monthly Review.

The following is an outline of the general trend of world conditions following past great wars, particularly the Napoleonic and the American Civil Wars, as summarized by financial historians:

The first effect of peace has been naturally the curtailment of all war business, a slump in the prices of the commodities affected, a severe decline in the prices of all war stocks, affecting to a certain extent the general stock market, and unsettlement in the labor market, combining to bring about a severe dislocation to business. At the same time the general feeling of optimism natural with the arrival of peace has led to the beginning of a considerable programme of reconstruction, new construction and general expansion which has sometimes lasted for several years. But the world, having been engaged in warfare, has been impoverished and has furnished an unsound basis for the expansion. As a result, business activity has quickly used up the diminished supply of liquid capital, the expected demand for goods has not materialized and the expansion has ended in financial collapse. After a long period of depression, liquidation and economy, a new cycle of improvement has begun. The development of new territory and productive methods has always eventually renewed the world's wealth many fold.

In the case of Canada in this war circumstances may possibly modify the general effects. We have profited greatly through the sale of harvests and munitions at high prices and have converted an extended financial position into one well buttressed by liquid capital and reserves. On the other hand, our share of the costs will be very considerable and the most productive element in our population will have been cut down to a very great extent. While we are at present self sufficient we will in normal times, again become a borrowing nation and a borrowing nation is necessarily dependent on the state of the world's affairs.

The Typical Cycles Applied to Canada.

It is quite possible, however, that the financial position in Canada will follow the above outline and follow it with enough accuracy to allow both those who predict a boom and those who predict a depression to declare their predictions fully verified. Any one's predictions as to future of business will always be verified if he waits long enough, because the cycles of activity and depression follow each other as inexorably as the tides of the ocean. The point that concerns the business man and investor is what will be the first effect and how long will it last. In the case of Canada the first effect that one can be sure of is the withdrawal of munitions business, which to-day directly affects a large proportion of our industrial citizens and indirectly affects the entire financial situation. It is inevitable that this will be followed by a slump in the prices of commodities affected and of the stocks affected, by unemployment and by a shrinkage in our export balance.

It is at this point that many authorities look to the reconstruction in Europe for the agency which will fill the breach. We will probably be able to assist in this reconstruction by the export of steel and other products but it should be considered that Europe's factories will also have a breach to be filled and that Europe's impoverishment will not permit of any purchases from abroad that can possibly be made at home.

The Expansion Period.

The other offsetting factor would be the revival of construction and expansion at home. So far as new building is concerned, there will have to be a certain amount of revival if for no other reason that there has been practically no new building since 1914. It is also probable that a considerable general expansion will take place in Canada as a result of the optimism engendered by peace, which has been described as being one of the usual effects.

After the American Civil War, railroad building and the development of new territory was one great factor in the reconstruction programme that developed into a boom of two years duration. There cannot be immediately any great programme of new railroad building here as we are already equipped

(Continued on page 17).

THE Dominion Savings AND Investment Society

Capital - - - \$1,000,000.00
Reserve - - - 225,000.00

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

Dominion Savings Bldg.
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Have you heard of the Sales and Intelligence Departments of the Canada Life?
They give special assistance to the Company's representatives. They teach a man the insurance business by correspondence and personal assistance free of charge.
Then they 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.



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FIRST—Because in a mutual company the assets are the sole property of the policy-holders.
SECOND—Because in a mutual company ALL of the profits go to the policy-holders; not 90% or 95%, but THE WHOLE.
THIRD—Because in a mutual company the executive is directly responsible to the policy-holders: ALL the directors are policy-holders' directors.
FOURTH—Because mutual companies hold the record for stability.
FIFTH—Because mutual companies have all the "safety-first" features of stock companies with mutual-ity thrown in.
SIXTH—Because the largest American companies are already mutual or seriously considering mutualization, and already more than one-half of legal reserve insurance is mutual.
SEVENTH—Because mutual companies are not built up in the interest of the FEW, but of the MANY.

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Canada's Only Mutual :: Waterloo, Ontario

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DIVIDEND NOTICES

The Bank of Nova Scotia

DIVIDEND NO. 186.

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 Monday, the 3rd day of July next, at any of the offices of the Bank. The Stock Transfer Book will be closed from the 16th to the 30th proximo, inclusive.

By order of the Board,
 H. A. RICHARDSON,
 General Manager
 Halifax, N.S., May 19th, 1916.

DIVIDEND NOTICE.

Canadian General Electric Company, Limited

COMMON STOCK DIVIDEND No. 68.

Notice is hereby given that a Quarterly Dividend of 1 1/2% for the three months ending the thirtieth day of June, 1916, being at the rate of 7% per annum, has been declared on the Common Stock of the Company.

The above Dividend is payable on the first day of July, 1916, to Shareholders of record at the close of business on June 15th, 1916.

By order of the Board,
 J. J. ASHWORTH,
 Secretary.
 Toronto, May 31st, 1916.

The Montreal City & 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 3rd of July next, to Shareholders of record at the close of business on the 15th day of June next.

By order of the Board,
 A. P. LESPERANCE, Manager.
 Montreal, May 29th, 1916.

STICK—IT TAKES ABILITY.

Lots of men with good jobs and a fine future before them are forever thinking how nice some other job somewhere else would be, and forgetting that any job worth while has its troubles and difficulties that must be overcome—"true love never did run smooth"—and the best piece of machinery gets a hot bearing once in a while.

The man who sticks, and proves by his sticking that he can surmount difficulties and iron out trouble wrinkles, is generally the first man the boss runs into when a reliable, steady, trustworthy man is needed to fill some unexpected emergency.

Anybody can move, but it takes ability to remain.—Exchange.

PROFESSIONAL

THE REV. M. O. SMITH, M.A., WILL ADVISE with fathers concerning the instruction and education of their sons. No. 544 Sherbrooke St. West. Or telephone Main 3071, and ask for Mr. Kay.

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

"THE CANADIAN CONSTRUCTION COMPANY, LIMITED."

Public notice is hereby given that, under the Quebec Companies' Act, letters patent have been issued by the Lieutenant-Governor of the Province of Quebec, bearing date the 6th May, 1916, incorporating M. J. Antonio Beaudry, publisher; J. Ernest Vallin, accountant; Edmond T. Sayers, advertising agent; Uldege Beaudry, solicitor; G. E. Coulard, accountant, all of the city of Montreal, for the following purposes:

To purchase, own, hold, obtain, print, design, receive, exploit, develop, sell, convey and lease lots of land, quarries, water powers, water works, transmission lines, aerial conveyers, railway sidings, works, or plants of all kinds, machinery, rolling stock, patents, trade marks, publications, newspapers, reviews, copyrights of all kinds, the whole upon the property of the company, or upon any property whereon it may have obtained the permission from the proprietors to do so; to deal in materials and goods of all kinds, moveable and immovable properties, hypothecate, exchange, build upon and improve the same, and especially to carry on any business incidental to that object;

To carry on any business which may appear to the company capable of being conveniently carried on in connection with the above, and calculated directly or indirectly to enhance the value of, or render profitable the company's property or rights; To acquire or take over the whole or part of the business property and liabilities of any person or company, carrying on any business which the company is authorized to carry on or possessed of property suitable for the purpose of the company and to pay for the same in paid up shares of the capital stock of the company

To take or otherwise acquire and to hold and sell or dispose of shares in any other company having objects in whole or in part similar to those of this company, or doing any business capable of being directly or indirectly carried on for the benefit of this company;

To sell, lease, or otherwise dispose of the property, rights, franchises and undertakings of the company or any part thereof for such consideration as the company may deem fit, and in particular for shares, debentures, bonds or other securities of any other company having objects in whole or in part similar to those of this company;

To consolidate or amalgamate with any other company having objects wholly or partly similar to those of this company and to enter into any agreement for the sharing of profits, union of interests, co-operation, joint adventures, reciprocal concession or otherwise with any person, firm or company carrying on or engaged in or about to carry on or engage in any business transaction capable of being directly or indirectly carried on for the benefit of this company, and to take or otherwise, acquire shares or securities of any such company, and to pledge, sell, issue or re-issue with or without guarantee as to principal and interests or otherwise deal with the same;

To purchase, lease or otherwise acquire, hold or own the whole or any of the property, franchises, good-will rights and privileges held or owned by any person or firm or by any company or companies carrying on or formed for the carrying on of any business similar to that which this company is authorized to carry on, and to pay for the same wholly or partly in cash, or wholly or partly in paid up shares of the company, or otherwise and to take over the liabilities of any such person, firm or company;

To draw, make, accept, endorse, discount and execute bills payable or receivable, checks, bills of exchange, warrants and other negotiable and transferable instruments;

To make advance of money to the customers and others having dealings with the company and to guarantee the performances of contracts by any persons;

To remunerate in cash, stocks, bonds or in any other manner any person or persons, corporations for service rendered or to be rendered in placing or assisting to place or guaranteeing the placing of any shares of the capital stock of the company, or of any debentures or other securities of the company, or in or about the formation or promotion of the company or the conduct of its business;

To do all or any of the foregoing acts as principals, agents or attorneys, under the name of The Canadian Construction Company Limited, with a capital stock of ninety thousand dollars (\$90,000.00), divided into nine hundred (900) shares of one hundred dollars (\$100.00) each.

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

Dated from the office of the Provincial Secretary, this sixth day of May, 1916.

C. J. SIMARD,
 Assistant Provincial Secretary.

THE WORLD'S SALEMANSHIP CONGRESS.

"There is a preparedness that means being in a state of readiness for war. There is another kind of preparedness that would mean being in a condition of readiness for peace." Such is the central theme that has been selected as the basis of discussion in the first World's Salemanship Congress, to be held in Detroit during the second week in July. Every effort is being put forth to make this congress the largest gathering ever held of the members of this important profession. President Wilson has consented to give an address at the formal opening.

In referring to salesmanship, we use the term "profession" advisedly. In a comparatively short time selling has developed from the haphazard methods of the travelling lightning rod agent to the carefully laid plans of the keen, well-trained men that represent every industry to-day. Successful salesmen are indeed now as proud of their profession as are doctors or lawyers of theirs. It is hoped at the coming conference, by the interchange of ideas and the discussion of resolutions bearing on the trend of future activity, to place the art of selling on a clearly defined basis.

Many suggestions have been submitted to the programme committee by the managers of a number of leading firms in the United States. It has been proposed that a salesman's handbook or technical dictionary be compiled, standardizing the words and terms used in selling, laying stress upon the fundamental factors of the art, such as Cost, Gross Profit, Net Profit, Discounts, Commissions, Actual Performance, Quotas and Saleman's Compensations, etc. The idea has been put forth that chairs of salesmanship should be endowed in the greater American universities, with a view to producing salesmen of the highest possible type, possessing an intimate knowledge, not only of their own particular lines, but also of the technique of selling in general. Methods of production, manufacture and transportation have been placed upon a scientific basis during the past quarter of a century. It is quite in order, therefore, that salesmanship, the fourth great commercial factor, should now be placed upon the same high plane of efficiency.

The Programme Committee of the Detroit Congress is greatly encouraged by the unusual interest and enthusiasm shown on every side, and feel that the success of the congress is already assured.

THE ECONOMIC EFFECT OF WAR.

(Concluded from page 16).

beyond our needs in that respect. As to new agricultural development, this will depend on the volume of immigration. The extent of the immigration in the period immediately following the war is a difficult thing even to-guess, but it is quite possible that immigration will be large. Industrially there is considerable scope for immediate extension, particularly should an Imperial preferential tariff bring a new movement of America branch factories to Canada.

Thus, there is ground for a period of expansion of some magnitude in Canada. Its duration and extent will probably be determined by world conditions.

The Aftermath.

The next step in the typical cycle is the depression and it is folly to expect that Canada or any other country can avoid the inevitable reaction. Finance is to-day so internationalized that we are bound to feel the effects of the world cycle. To what extent we will feel them or for how long is a matter only for guess work.

Canada's Recuperative Power.

It is legitimate to hope that the reaction will not be too severe or prolonged for these reasons:

A young agricultural country with probably the greatest undeveloped accessible resources of any country on earth has little to fear beyond temporary inconvenience from even a world-wide industrial depression. Having accumulated some capital goods in the shape of an adequate plant to carry on a large volume of production and offering the most attractive opportunity in the world for settlement, Canada has more potential recuperative power than any country.

It short, while it is not wisdom to allow native optimism to blind ourselves to the fact that we must take our part in the necessary aftermath of war, it is equally unwise and unnecessary to view the future with dismay. Perhaps the worst of an eventful depression will not be any more acute than the situation we were in immediately prior to the war.

COMMODITY MARKETS

Week's Wholesale Review

Wholesale business in seasonable merchandise and commodities continues to reflect a satisfactory condition. Spring and summer wants in dry goods and like merchandise are about filled, although sorting orders are still coming forward in fair volume. Placings for fall have been heavy and it is stated in dry goods circles that the mid-summer stock accounting will reflect a very satisfactory business. In other lines Montreal houses report favorably. Boot and shoe manufacturers are busy, mostly on army contracts, but in spite of steadily advancing prices domestic business is shaping up well. The dairy and country produce markets are easier under increased deliveries and prices are lower this week. Live stock sales during the week were strong and prices were maintained at a high level.

Dun's review, dealing with Western business, says: "Favorable reports are received from the various centres in the Far West and Northwest, distribution of merchandise being in well maintained volume and the outlook improving with the progress of the season. Winnipeg reports that both wholesale and retail trade continues to improve and that merchants seem to be highly encouraged over the prospects for a large summer business. Sales of automobiles, furnishing and dry goods, clothing and footwear are especially good, and there is a noticeably improved demand for household supplies, groceries and provisions. Merchants at Saskatoon express much satisfaction regarding prevailing conditions, trade with country points showing improvement, and the local movement in most lines being quite active. More seasonable weather conditions at Edmonton have stimulated demand for staple merchandise in that city and vicinity, and the general situation is now very encouraging. The trend toward improvement which has been in evidence at Calgary for some time past is well maintained, and business is expected to be active during the coming summer and fall. The volume of sales in both wholesale and retail lines at Regina is fully up to normal, and conditions are considerably more favorable than at this time last year."

DAIRY PRODUCE.

CHEESE: The cheese market last week was almost demoralized, prices declining rapidly under the low level of the previous week. At country boards the decline in price variously amounted to 11-16c to 3½c per lb. This general slump was brought about by increased supplies and a total absence of export enquiry in the beginning of the week. Towards the end of the week the market reacted slightly as cables became active again. Reports from the country are that pastures are in excellent condition, and that the make of cheese is large, and of good quality. Stocks are about the same as last year.

BUTTER: The butter market shows no new developments to date. Prices remained firm during the past week, but scored a slight decline, amounting to from ½c to 1c per lb. at country boards on Saturday last, in sympathy with the marked weakness in cheese. There was a certain amount of export enquiry, with a few shipments going forward, but the high prices prevailing during the past ten days seems to have checked export business somewhat. Many local dealers are storing June butter which will have a tendency to strengthen the market throughout the month. The local demand is good, and while prices are not expected to go higher the feeling is that the market will be steady for the next few weeks. Receipts are less than last year.

Current quotations follow:

Butter:—		
Fresh creamery, solids	0.29	0.29½
Do., prints	0.28½	0.28¾
Seconds	0.26	0.26¼
Dairy butter	0.22	0.23
City Selling Prices to grocers:		
Choice Creamery Solids	0.31	
Do., Prints	0.31	
No. 2 Creamery Solids	0.29	
Do., Prints	0.29	
Choice Dairy Prints	0.27	0.28
Do., rolls	0.27	0.27
Cooking butter	0.25	
Cheese:—		
Best Western	0.17	0.17½
Best Eastern	0.16½	0.16¾
Blue Cheese	0.15½	0.16
Undergrades	0.15	

COUNTRY PRODUCE.

EGGS: This market is a little easier as receipts were heavy during the warm weather last week. There was an active export enquiry, but though no sales of Canadian eggs have been made so far, dealers expect that some business will shortly be consummated. The bulk of the eggs now going forward are coming from the United States. There is a good demand for home consumption, and especially so for selected stock, which is selling at 29c to 30c per dozen in a wholesale jobbing way. Non-fertilized eggs will be on the market by the middle of the month.

POULTRY: Fresh spring chickens are beginning to come in, and as there will soon be larger quantities arriving, a drop in price is expected.

MAPLE PRODUCTS: A very firm market is reported for maple products, especially for sugar, which is somewhat scarce, and buyers of car lots find it difficult to fill their requirements. The demand is good for the season of the year. Prices remain unchanged.

BEANS: A very strong feeling has prevailed in the market for beans during the past week, and prices have scored another sharp advance, which is attributed to the fact that Michigan buyers have been operating in the market to some extent on account of the very limited supplies available in the United States markets.

POTATOES: Offerings of potatoes are not large, which has caused a steady feeling in the market. The demand is very fair at unchanged prices.

Eggs—		
New Laid	0.25	
Special	0.26	0.27
Selected stock	0.29	0.30
Poultry:		
Poultry—Live:		
Fowl, 5 lbs. and over	0.20	0.23
Fowl, small	0.18	0.19
Turkeys, cocks	0.20	0.22
Do., hens	0.22	0.23
Fresh Killed Poultry:		
Turkey, cocks	0.25	0.27
Do., hens	0.28	0.30
Chickens	0.23	0.24
Fowls, hens	0.24	0.25
Do., roosters	0.23	0.24

Frozen stock:—		
Turkeys	0.29	0.30
Fowls, large	0.21	0.22
Fowl, small	0.18	0.20
Ducks	0.22	0.25
Geese	0.16	0.17
Roasting chickens, ord.	0.23	0.25
Chickens, milk fed	0.27	0.28
Capons	0.28	0.30
Spring broilers, dressed, pair	1.20	1.50
Squabs	0.65	0.75
Squabs, Phila., pr.	0.85	0.85

Maple Products:		
Pure maple syrup, 8-lb. tins	0.85	0.90
Pure maple syrup, 10-lb. tins	1.00	1.10
Extra choice syrup, 13-lb. tins	1.40	1.50
Pure maple sugar, per lb.	0.12	0.14

Honey:—		
White clover, in comb	0.15	0.15½
Brown clover, in comb	0.12	0.13
White extracted	0.12	0.13
Brown extracted	0.10	0.11
Buckwheat honey	0.09	0.10

Beans:—		
Can. hand-picked, car lots	4.90	5.00
Three-lb. pickers	4.65	4.75
Five-lb. pickers	4.40	4.50
Seven-lb. pickers	4.00	4.30

Potatoes:—		
Green Mountains, per bag, car lots	1.75	
Do., Quebec	1.70	
Job lots, ex store, per bag	1.85	1.90

THE WEEK'S CHEESE SALES.

St. Paschal, May 30.—60 boxes at 16 1-16c.
Campbellford, May 30.—655 boxes at 17 3-8c.
Peterboro, May 31.—2,088 boxes coloured at 16 5-10c.—16 7-16c.
Woodstock, Ont., May 31.—3,226 boxes offered
Highest bid 15 1-2 no sales.
Madoc, Ont., May 31.—545 boxes at 16 1-16c.
Sterling, Ont., May 31.—1,200 boxes at 16 7-8c.
Brockville, Ont., June 1.—4,675 boxes at 16c.
Kingston, Ont., June 1.—777 boxes white and 414 boxed colored boarded, 500 boxes sold at 15c.
Montreal, Quebec Agricultural Co-operative Society, 1,296 boxes at 15 1-4c — 16 1-8c.
St. Hyacinthe, June 3.—650 boxes at 15 1-4c.
Belleville, Ont., June 3.—2,900 boxes of white offered, 545 sold at 16 9-16c, balance 16 1-2c.
London, Ont., June 3.—1,364 boxes offered, 165 sold 15 1-4c.

PROVISIONS.

A steady decline in the price of live hogs was recorded throughout the past week, prices dropping 30c to 35c on Monday, May 29, and a further 25c on Wednesday, making a net reduction of 55c to 60c for the week, and of 80c to 90c for the month of May. Dressed hogs showed decided weakness in sympathy and dropped 25c per 100 lbs. There is a fairly good demand from packers at these reduced prices. No change has taken place in the smoked meat market. A good trade for home consumption combined with an active export demand, is keeping prices very firm in all lines. The lard market was fairly active during the week, prices holding firm as supplies are light.

Current prices are as follows:

Hams:—		Per lb.
Smoked hams, 8-14 lbs.	0.24	
Do., 14-20 lbs.	0.23½	
Do., 20-25 lbs.	0.22½	
Do., over 25 lbs.	0.20	
Bacon:—		
Breakfast	0.24	
Windsor Bacon, selected	0.27	
Windsor Bacon, Boneless	0.29	
Barrel Pork:—		Per bbl.
Short cut pork	32.00	
Clear Fat Pork, 30-40	33.00	
Clear Fat Pork, 40-50	33.00	
Clear Fat Pork, 20-35	30.00	
Mess Pork	29.50	
Bean Pork, Canadian	24.50	
Barrel Beef—		
Plate Beef, 200 lbs.	24.00	
Pure Lard—		per pound.
Tierces	0.17	
Tubs	0.17½	
Pails	3.50	
Tins	3.40	
Cases, 3, 5, 10's	0.18	
Prints	0.18½	
Compound Lard:—		
Western Grades:		
Tierces	0.14½	
Tubs	0.14½	
Tins	2.80	
Cases, 3, 5, 10's	0.15	
Prints	0.15½	
Cooked meats:—		
Roast shoulders pork	0.33	
Roasts houlders pork	0.33	
Roast ham, boneless	0.35	
Cooked hams, rind off	0.35	
Head cheese	0.09	
Jellied pork tongues	0.30	
Blood pudding	0.09½	
White pudding	0.08	
English Brawn	0.11	

MONTREAL PRODUCE RECEIPTS.

The receipts of the principal commodities at Montreal for the past two weeks follows:

	Week-end.	Week end.
	June 3.	May 27.
Wheat, bushels	2,165,381	1,643,148
Oats, bush.	353,845	235,660
Barley, bush.	15248	378,147
Flour, barrels	185,526	102,670
Eggs, cases	18,782	15,959
Butter, packages	16,106	9,387
Cheese, boxes	85,139	67,617
Potatoes, bags	18,874	13,663
Hay, bales	39,690	31,409

RECEIPTS OF BUTTER, CHEESE AND EGGS.

The following table shows the receipts of butter, cheese and eggs in Montreal for the week ending June 3, 1916, with comparisons:

	Butter,	Cheese,	Eggs,
	Pkgs.	Boxes.	Cases.
Week ending June 3, 1916..	16,106	85,139	18,782
Week ending June 5, 1915..	15,656	84,419	19,831
Total receipts, May 1 to date, season 1916..	47,205	257,407	99,668
Total receipts, May 1 to date, season 1915..	57,785	271,657	103,099

The Lake of the Woods Milling Co. has let the contract to Carter, Halls, Aldinger and Co. for their new mill at Medicine Hat to replace the one recently burned. The building will be of brick and reinforced concrete, capacity 1,500 to 2,000 barrels, and the price is around \$200,000. The mill is to be ready for the plant within four months. The company will also erect a number of elevators this summer in the west.

LIVE STOCK.

MONTREAL: Monday's sale opened very slow, as buyers were not disposed to pay the high prices asked. As the morning wore on, however, the tone of the market became more active, for the drovers held out for their prices, knowing that the dealers would be obliged to meet them in the end, as supplies coming forward were light and stocks on hand small. Consequently the market closed with the same quotations as the previous week. Hogs, on the contrary, showed unusual weakness, dropping 30c to 35c below the low level of the week before. This decline in price is attributed to the fact that supplies coming forward are in excess of requirements. All small meats were active, calves, sheep and lambs selling freely at good prices.

On Wednesday buyers had their own way, and secured stock at prices 25c below Monday's level. This was brought about by a generally slackened demand, due to high prices for beef, and a better run of stock offering. The hog market showed a further decline of 25c. per 100 lbs., being a drop of 75c during the past two weeks. The demand at these prices was fair, but dealers are not looking for a stronger market, for a few weeks at least. Small meats showed no change.

TORONTO: The chief feature of Monday's sale was a drop in receipts of 1,000 head under a fortnight ago. Compared with other years, however, both quantity and quality were normal. The market was steady at last week's highest prices in all lines. Hogs showed a decline of 25c to 50c per cwt. Sheep were about 50c lower on the whole, and lambs were dull. Calves were steady.

Very little change was recorded at the Wednesday sale, prices remaining about the same, except the market at the record price of \$10 a cwt. Medium for one load of extra choice heaves, which topped and common grades were a little easier, selling at a slightly lower range of prices. The various small meats showed little change, sheep and lambs being, if anything, somewhat lower. The hog market recovered nearly all it lost on Monday.

Quotations for round lots were as follows:—

	Montreal.		Toronto.	
	Per cwt.	Per cwt.	Per cwt.	Per cwt.
Butcher stters, best	9.25	9.50	9.25	9.75
Do., good	8.75	9.00	8.75	9.10
Do., fair	8.15	8.35	8.40	8.60
Do., medium	7.50	7.75	8.00	8.25
Do., rough	7.00	8.00	7.50	8.00
Butcher steers, best	9.25	9.50	9.25	9.75
Do., good	6.75	7.00	7.00	8.00
Do., medium	5.50	6.50	6.75	7.50
Canning bulls	3.75	4.50		
Butcher cows, best	6.75	8.00	7.75	8.50
Do., good	5.50	6.50	7.25	7.75
Do., medium	3.75	4.50	6.50	7.22
Do., common		5.00	5.75	6.50
Sheep	8.50	9.00	8.50	10.50
Lambs, cwt.	5.00	8.00	9.00	12.00
Spring lambs, each			6.00	12.00
Hogs, selects, weighed				
off cars	11.25	11.50	11.00	11.15
Do., roughs and mixed				
lots	10.75	11.25	11.15	
Do., common	9.75	10.00		
Calves, choice	0.08½	0.09¼	9.50	10.50
Do., medium	0.07½	0.08	7.50	9.50

BALED HAY.

Prices for hay are strong on account of light country deliveries, as farmers are busy with their farm work. Country stocks are not heavy, but should the Government presses stop working, as is reported, there will be no more than required for domestic consumption. The outlook for the growing crop cannot be better, and this may induce farmers to close up their barns before the new crop of hay is favorable for the market, which will be about August 15. The Government prices are \$18.50 for No. 3 grade, \$20.00 for No. 2, and \$21.50 for No. 1, delivered to pressing barns. The local market is paying to-day from 50c to \$1.00 per ton over these prices. The demand is especially good for the better grades, indeed, the very best quality is selling as high as \$23 to \$24 in a retail way. These prices are not likely to advance further. Throughout the country, from the Maritime Provinces to Western Ontario, crop reports are most flattering. In Ontario the clover crop is especially good.

Car load lots sold as follows:—

No. 1 hay	22.00	22.50
No. 2 extra god		21.50
No. 2 hay	20.50	21.00
No. 3 hay		19.50
Clover, mixed, per ton, ex-track		18.50

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FISH AND OYSTERS.

One of the features of the next few weeks will be Atlantic, or what is termed by the trade Gaspé salmon. The season usually opens out after the 24th of May. From now until July 21 Atlantic salmon will be at its lowest prices and highest quality. After that date the season for fresh Atlantic salmon is practically over, although there will be considerable demand for months for chilled stock. In regard to other Atlantic sea products, such as haddock and cod, supplies are large and prices low. As predicted in a previous issue, mackerel are running on the Atlantic Coast, and therefore within the next two or three weeks large quantities of spring mackerel will be offered to the trade at low prices. There is usually a good run of sea herring at the same time as the run of mackerel, as herring and mackerel habitually school together. Large supplies in these lines are expected, and dealers should avail themselves of the low prices which will be asked for these lines.

In some sections of the country the Ascension Day holiday last week interfered with the fish trade generally. Still the demand continues normal, and prices are altogether reasonable. Fresh halibut shows indications of becoming scarce, and consequently higher prices will prevail before long. This will help the consumption of fresh haddock, which is plentiful, with prospects of being so for some time to come. Lake fish are not coming in any quantity except for a certain amount at the opening of the season. Arrivals have been very fair, and deliveries will improve from now on. Brook trout is exceptionally scarce, and it is evident that our lakes are becoming depleted. Lobsters are keeping reasonable, and prospects are for good supplies from now until about the middle of the month. The trade in pickled salt and cured fish is very quiet. A few pickled salmon and trout are distributed here and there. Shellfish and bi-valves of all kinds are very quiet, without any feature of note.

Fresh:—

Haddock, per lb.	0.06
Steak Codfish, per lb.	0.07
Brook Trout	0.27
Carp, per lb.	0.08
Lobsters, live, per lb.	0.20
Salmon, Gaspé	0.45
Salmon, Red, Dressed, Spring and Headless, per lb.	0.20
Halibut, medium, per lb.	0.14
Herrings medium, each	0.02
Whitefish, per lb.	0.12
Pike, per lb.	0.08
Shad fish, each, roe	0.65
Shad, buck	0.35
Perch, dressed, per lb.	0.10
Bullheads, dressed, per lb.	0.10
Fresh Mackerel, per lb.	0.14
Gaspereaux, each	0.01½
Smoked Fish:—	
Haddies, per lb.	0.08
Kippers, large, per box	1.20
Bloaters, per box	1.10
Smoked Herring, mediums, per box	0.15
Boneless Smoked Herring, boxes 10 lbs. each	1.25
Smoked Eels, per lb.	0.12
Oysters:—	
Standard Solid Meats—No water.	
No. 5 Can, containing 3 wine gals.	1.70
Ordinary Do., Selects, per Imp. gallon	1.70
Shell Oysters, Cape Cods in large barrels	12.00
Shell Clams, do.	8.00

DRIED FRUITS AND NUTS.

A certain amount of business has been done in the past week in the prune market, principally in Oregon, owing to the fact that the new crop of Oregon is quoted somewhat under the new Californias. In regard to Californias, buyers seem to be in most cases under the impression that prices will have to come down. Growers on the coast appear to be equally determined to make packers buy high in price for the growing crop of prunes, so that it remains to be seen which will work out right. Some time ago Great Britain placed an embargo on all kinds of dried fruits. If this embargo is removed by next October or November, in time for the new crop, it will cause a very firm market in America. The California raisin market is very firm without feature of note, prices ruling as high as or higher than last year. Present indications are for very high prices for peaches and apricots, owing to a not over plentiful crop, coupled with the formation of a growers selling combine which tends to give the individual growers backbone to demand a high price from packers.

Prof. C. W. Colby, of McGill University, was elected president of the McGill Graduate Society at the annual meeting held in Montreal recently.

FLOUR, CEREALS AND MILLFEED.

Owing to the decline in the wheat market, the flour business is somewhat slow. As the wheat market moves very rapidly up and down, millers have not yet considered making any change in flour prices. It is generally felt by millers throughout the country that in face of the lack of enthusiasm in all crop reports from the Western States and Canada, and especially owing to a decrease of 15 per cent under the area sown to wheat last year, prices will tend to advance rather than decline. At this time last year we were nearing the end of a normal crop with an abnormal demand for wheat and flour. This year, on the contrary, we have good stocks on hand as the result of the abnormal 1915 crop, and are looking forward to a new crop, which promises to be only normal, and no more. At the present moment wheat is being exported to Europe at the rate of 10 million bushels a week, with prospects of a still greater demand as European production declines; when still more men from the farming districts go to the war. Taking such world wide conditions into consideration, the present firm market for flour is the result of the prospect of a general scarcity of supplies in the near future.

No great quantity of Ontario flour is being offered at the present time, and, therefore, the market is firmly maintained. With good growing weather, the demand for feed is likely to ease off for a time. Bran is somewhat easier in tone, at \$23, while shorts are still held at \$26. There is a feeling, however, that the latter price is too high, and that shorts will soon decline in sympathy with bran. The general impression of the trade is that any decline in feed will be short-lived, as with the present high prices of dairy products farmers cannot afford to allow their cows to go dry. Reports from the country state that although the recent rains have made the grass a little soft, pastures are in excellent condition, but if we have a dry month of June the present soft grass will not be sufficient, and farmers will be obliged to turn to millfeed, causing a firm feed market during the summer months.

Current quotations follow:

	Montreal.		Toronto.	
First patents, per bbl., in bags	6.70	6.80	6.70	
Second patents, do.	6.20	6.30	6.20	
Strong clears, do.	6.00	6.10		
30c per bbl. more in wood.				
Winter wheat flour—				
Fancy Patents	6.00			
90 per cent in wood	5.30	5.40	4.40	4.30
90 per cent in bags	2.40	2.50		
Cereals:—				
Cornmeal, yellow, in per bag, 98 lbs.			1.85	
Rolled oats, per bbl., in wood	5.10	5.20		
per bag, 90 lbs.	2.40	2.45		2.65
Rolled wheat, 100 lb. bbl.		4.00	3.00	
Rye flour, 98 lb. bag	2.65	2.80	2.80	
Graham flour, 98 lb.			3.25	
Barley pot., 98 lbs.		3.00		
Barley, Pearl, 98 lbs.	4.50	4.70	4.90	
Whole wheat flour, 98 lbs.			3.25	
Middlings, per ton	28.00	30.00	26.00	27.00
Bran, per ton		23.00	24.00	25.00
Shorts, per ton		26.00		26.00
Feed flour, per ton		35.00		
Feed flour, bag			1.60	1.70
Moullie, pure grain grades, per ton	35.00	37.00		
Do., mixed	30.00	32.00		
Barley feed, per ton		32.00		
Do., meal, per ton		35.00		
Crushed oats, 80 lbs.		1.85		
Reground oatmeal feed, per ton		19.00		

WINNIPEG GRAIN RECEIPTS.

The receipts of grain at Winnipeg for the week ended June 3, 1916, compared with the previous week and the corresponding week a year ago were as follows:—

	June 3, 1916.	May 27, 1916.	June 5, 1915.
No. 1 hard	2	4	....
No. 2 northern	2,409	3,147	....
No. 2 Northern	678	932	....
No. 3 Northern	524	684	....
No. 4 Northern	296	278	....
No. 5 Northern	94	109	....
No. 6 Northern	26	140	....
Other grades	218	230	....
Winter grades	11	23	....
Total	3,948	5,452	927
Barley	1,055	1,197	157
Barley	96	125	21
Flax	72	189	29

GROCERIES.

According to advice received by a Montreal dealer from the Orient, the new Japan tea crop has opened up on very much the same basis as last year's. The tea is of good quality, and prices are expected to be firm. A shortage of fannings is reported. All shipments are being made via San Francisco, steamers avoiding the Suez route on account of warring conditions. The general scarcity of ocean tonnage on the Pacific tends to force up the price of tea and other Oriental commodities. Green tea is very scarce and dear as the result of extensive buying in bulk on the part of the Russian Government for army purposes. The coffee market has a weaker tendency at the source, but Montreal prices are firmly maintained owing to abnormal conditions of transportation. Mexican coffee is very high in price.

Freight conditions have produced a very high market for all spices, prices quoted from 40 to 100 per cent higher according to variety. Freight rates are now 6c to 8c per lb, as compared with a normal rate of 1½ to 2c. Cloves have advanced 40 per cent, nutmegs and ginger 75 per cent, and cinnamon 100 per cent. Cream of tartar is up 120 per cent on account of a falling off in production, due to the labour shortage in France.

The molasses market remains unchanged, being entirely dominated by the lack of ocean tonnage from the West Indies. Reports from Barbadoes are to the effect that drivers of fancy molasses have ceased operations owing to their inability to obtain shipping accommodation. This has driven many makers to sell the cane to the estates which make sugar. This is unfortunate, as it will materially reduce the output of the liquid sweet. Freight prospects are anything but cheerful at present, as shipping facilities are becoming more and more difficult to obtain. The rate of \$7.50 per puncheon of molasses from St. John, N.B., to Barbadoes was recently offered to a general sized sailing vessel, but failed to secure her at that figure. As high as \$10 per puncheon is now being asked, but no one has the courage to take it up at so high a price.

Current prices follow:—

Tea.	
Green:—	
Japan	23 26
Hyson	12 15
Gunpowder	20 25
Ceylon	30
Black:—	
Congo	15 20
Indian	28 20
Ceylon	28 32
Coffee.	
Santos No. 1, 2	15
Rio	14 15
Mexican	19 20
Bogota	19½ 21
Maracaibo	16
Jamaica	16 17

THE LONDON TEA MARKET.

According to recent advices from London, the Chancellor of the Exchequer has announced that he may be obliged to include tea in his budget in July. The prospects of a new tax on tea as well as other abnormal conditions brought about by the war, are having a very unsettling effect on the English market, and firms obliged to order several months in advance find themselves in a difficult position.

As ocean tonnage is very hard to obtain the new crop may be late in arriving. The loss of a large quantity of Ceylon and Travancore tea in the steamer "Clan Campbell", has stiffened up the Ceylon market, but considering the fact that April receipts of tea are 7,500 lbs. in excess of the corresponding period a year ago, and stocks on hand are ample to meet all immediate requirements, it is difficult to account for the high prices ruling in all lines of tea.

UNITED STATES LIVE STOCK PRICES.

The level of prices paid producers of the United States for live stock (hogs, cattle, sheep and chickens) increased 1.7 per cent from April 15 to May 15 last, according to a report made by the Department of Agriculture. In the same period of the past six years the average decrease has been 1.7 per cent. On May 15 prices of these meat animals averaged about 17.4 per cent higher than a year ago, 5.4 per cent higher than two years ago and 18.8 per cent higher than the average of the past six years on May 15.

Hog prices per 100 pounds averaged to producers of the United States \$8.37 on May 15, compared with \$6.77 a year ago, \$7.60 two years ago, and \$7.15, the average of the past six years, on May 15.

FRUIT AND VEGETABLES.

A car of fruit arrived from California, consisting of cherries, plums and apricots, and was sold at auction on Thursday, June 1st. Prices were pretty fair to start with, cherries selling from \$3.10 to \$3.30; apricots at \$3.00 to \$3.25, and plums at \$2.00. Delaware strawberries are now on the market at firm prices. Quart boxes are selling from 15c to 17c. The hot weather during the past week created considerable demand for lemons, and the market is generally rising. Lemons are now selling at \$3.50, with prospects of higher prices in the near future. The market has opened for local rhubarb, which has entirely taken the place of the southern commodity. Valencias are the only variety of oranges offering at present. Prices are high, boxes bringing \$4.00 to \$4.50, with a still further advance expected shortly.

Florida tomatoes are now finished, the first car of Mississippi flats reached Montreal last Saturday. Owing to heavy arrivals of Norfolk cabbage, the market has dropped considerably, crates selling from \$3.50 to \$4.00. Several shipments of lettuce of excellent quality have arrived from St. Catharines, Ont. The market is heavily supplied with Canadian asparagus from the same source, which is selling at from \$1.00 to \$1.50 per 11-qt. basket. A good trade in Canadian vegetables is taking place in the different Montreal markets, supplies of onions and lettuce being particularly heavy.

Current quotations follow:—

Apples:—	
Starks	5.00
Syds, No. 1	6.00
Do., No. 2	5.00
Ben Davis, No. 1	3.75
Russets	6.00
Baldwins	4.50
Bananas, bunches	2.00
Cranberries, Cape Cod, bbl.	12.00
Grapefruit, 46-54-64-80-96	3.75
Lemons:—	
California	2.75
Messina, 300 size, box	3.50
Limes	1.50
Oranges:—	
Late Valencias, Californias, 176-200-216	4.25
126	3.50
80-96	2.75
Pineapples, 18-24 and 30-36	2.25
Strawberries, qt., Louisiana and	
Tennessee	0.10
Delaware	0.15
Vegetables:—	
Asparagus, Canadian, per 11-qt. bkt.	1.25
Artichokes, bag	1.50
Beets, bag	1.50
Beans, wax, N.Y., per basket	3.75
Beans, green, N.Y., per basket	4.25
Cabbage, Montreal, per bbl.	2.00
Do., New American, Mississippi	4.00
Cauliflower, hampers	4.00
Do., New American	3.50
Cauliflower, crate, singles	3.50
Celery, Florida, crate	2.50
Cucumbers, fancy, Boston, doz.	2.50
Egg plant, N. Y., doz.	1.75
Garlic, per lb.	0.30
Horse radish, per lb.	0.14
Leeks, bunch	0.30
Lettuce, Boston, box	3.00
Do., Montreal, per 2 doz. 2 box	2.00
Do., Curly, 4 doz. box	0.50
Mint, dozen	0.60
Mushrooms, 4-lb basket	2.50
Oyster plant, dozen	1.00
Onions:—	
Reds, 100 lb. bags	4.50
Do., crates	3.25
Bermudas, crates	3.00
Parsnips,	2.25
Potatoes:—	
New Brunswick, 80 lb. bags	2.00
Sweet, hamper	1.75
Radishes, doz.	0.30
Rhubarb, per doz.	0.40
Spinach, New York, bbl.	3.00
Turnips, bag	1.00
Tomatoes, hothouse, lb.	0.30
Tomatoes, Florida, Fancy	5.00
Do., choice	4.75
Watercress, Boston, hothouse, doz.	0.75
Do., Canadian, doz.	0.30

THE FRENCH EMBARGO ON LOBSTERS.

According to a cable received from Canadian Trade Commissioner Roy from Paris, France, the recent order prohibiting the import of various food-stuffs, including lobsters, into France until peace is restored, must remain. This order seriously affects the lobster industry of the Maritime Provinces, and the Department of Trade and Commerce has endeavored to have the embargo on lobsters lifted, without satisfactory result.

Exports from the United States ports in April reached a total of \$404,300,000, which is \$5,700,000 less than the record figure of March, but a million more than the total for February.

WHEAT AND THE WAR.

The Course of Prices Since 1800.

One of the most comprehensive articles in The Agricultural War Book of 1916 deals with the subject of "Wheat and the War." It is written by Mr. T. K. Doherty, LL.B., Commissioner of the International Agricultural Institute. The author traces the course of events, as regards the wheat market, in the momentous years of 1913, 1914 and 1915, the first-named, sharing with the last two years, some of their importance — although preceding the war — by reason of the decline of prices from those of 1912. In 1914-15 prices per bushel of British wheat jumped from \$1.05 to \$1.61.

In this connection a table is presented giving quotations of prices since the year 1800. In 1812 the figures reached their zenith, Britain having wars with France and the United States on her hands. Wheat was then \$3.86 a bushel, or more than three times the standing of to-day. During the first quarter of the nineteenth century the lowest price was \$1.37, this was in 1822. In the second quarter, the lowest figure was reached in 1835, when wheat stood at \$1.35. In the third quarter prices ranged from \$1.17 in 1851 to \$2.27 in 1855, fluctuating after that from \$1.22 in 1864 to \$1.95 in 1867 and down to \$1.37 in 1875. In 1877 the price was \$1.73. In 1878 the quotation was \$1.40. A period of steadiness followed until 1883, when there was a drop to \$1.25. The decline continued, the even dollar being reached in the following year. Then, for the first time in the period covered in the table, or in 1886, below that figure was reached 94 cents being the quotation. In 1891 the price was \$1.13. In 1898 it was \$1.05, the lowest point, namely 68 cents being touched in 1894. Fourteen years elapsed before a dollar was again exceeded. In 1909 the highest quotation stood at \$1.13.

Mr. Doherty briefly outlines the cause for these fluctuations, and proceeds to deal with the situation arising from the supply and demand in the last three years. He also deals with the output of other crops during these years, referring to the best known authorities in support of his details and deductions. He goes largely into the requirements and productions of the world in wheat, giving tables showing the yield in 32 countries of wheat and 22 of oats. In his conclusion, he also suggests that every aspect of the wheat situation appears to indicate the improbability of a return to the low average prices of 1910, '11 and '12, and that following the declaration of peace there will be a greatly increased demand. As an appendix, a description is given of marketing operations in Australia. The War Book can be had by addressing the Publications Branch, Department of Agriculture, Ottawa.

AMERICAN COTTON ACREAGE.

The New York Journal of Commerce reports on cotton crop acreage and condition as on May 23 last sows an increased acreage of 9.6 per cent over last year and a percentage condition of 79.1 per cent. Condition a year ago was 80.4 per cent, in 1914, it was 78.2, in 1913 it was 80.5 and in 1912 it was 76.9 per cent, while the ten-year average is 78.9 per cent.

The tendency to increase acreage is very marked except in those States where unfavorable weather conditions prevented at the time of planting. A cold, backward spring in the Carolina and Georgia, making the season two to three weeks late, retarded germination, and on account of the scarcity and high price of seed many fields were not replanted. Alabama also suffered from cold and drouth, and that State shows an increase of only two per cent. Large increases are shown in nearly all other States, Oklahoma leading with an increase of 21 per cent, Mississippi with 16.4 per cent, Louisiana with 15 per cent, Arkansas with 11.5 per cent, Texas with 10.1 per cent and Tennessee with 9.5 per cent.

While in some States the season is nearly three weeks backward, the entire belt averages 13 days late. Low temperatures and drouth have caused slow germination and delayed planting. Stands can only be said to average fair, but rains on the 21st brightened prospects in several States and the outlook has generally improved since the dates of a large number of these reports. Complaints of insects are very few, and farmers have generally got fields in good preparation.

CHANGE IN SUGAR PRICES.

The Atlantic Sugar Refining Company last week advanced prices for all grades of refined sugar 15c per 100 lbs., making extra granulated \$8.15 per 100 lbs., in bags. At the time this company reduced prices none of the other refiners followed, consequently they are now selling on the same basis.

Conditions in the West

Crop Conditions Favorable. Flour Market Dull During May. Live Stock Prices Ruling High. Wool Graders Now Busy.

Special Correspondence by **E. CORA HIND**, Commercial and Agricultural Editor, Free Press, Winnipeg, Man.

Winnipeg, June 2nd, 1916. — The weather of the past week, while rather cooler than could have been desired, has on the whole been very favorable to the growing crop. The rain, however, has undoubtedly curtailed the acreage in oats, as the last week in May when many oats are seeded, was almost uniformly wet, or probably it would be more accurate to say that there was rain some part of every day. The highest temperature during the week was 73 and there have been 2 to 5 degrees of frost at some points, but this, of course, is not sufficient to do any harm to crops in their present condition, and the only result of the nipping of the tops would be to strengthen the roots. It may be said that general crop conditions in the West are favorable. Any land which was intended for oats and not seeded to that grain, will in all probability be seeded to either barley or flax.

Pasture is excellent, and creameries and cheese factories both report a noticeable increase in the supply of milk and cream.

Grain and Flour Markets.

There was nothing spectacular about the close of the wheat market for May. During the last few days the deliveries through the clearing house ran a little over half a million daily. Evidently whatever shorts there were were covered early, and the last day of May brought an exceedingly dull and featureless market.

The average prices of May throughout the month was \$1.16 5-8, of July \$1.16 7-8, and of October \$1.13 1-4. December was quoted for the first time on the last day of May, the openings being \$1.07 1-2.

Last year there was no quotations on December until the 7th of June, at which date it opened at \$1.08 sold. The spread between the average price of May wheat during the month of May, 1915 and the month of May, 1916, was 42 cents; for July 39 1-2 cents, and for October 33-8 cents.

Throughout the entire week there has been a very marked indifference on the part of the export trade, and while there have been a good many reports of damage to the American winter wheat crop, there has been nothing of a startling nature.

Western Canadian receipts have dropped off materially, but offers of American winter wheat for delivery within three weeks have been quite liberal in the past two days. The truth of the matter seems to be that the British buyer sees a very fair supply in sight and is not disposed to bid at all actively.

Flour.

Conditions with regard to flour have not improved during the week. Millers declare the entire month of May the dulllest in the flour trade for many years, and state that they cannot understand Government requests for bids. One large milling concern within the present week having been asked for bids on a large quantity of flour, based their price on wheat at \$1.11, which allowing for the special requirements of the flour for the Army, would have let them out with a very narrow margin of profit. They were notified, however, that their bids were quite out of line, and that the Government had secured the flour at 12 cents per sack less than their tender.

Domestic trade is slow, because heavy stocks were bought during the earlier part of the season and have not as yet been consumed. There has been no recent drop in flour, though the decline in wheat might have warranted it. Millers state that this is largely due to the fact that they are not at present making any new contracts, of any magnitude.

Live Stock.

The market for cattle has continued very steady, though there has been a considerable decline in hogs during the week. Prime steers are worth from 9 to 9 1-4 cents on the Union Stockyards here, and receipts are comparatively light. There is a very keen demand, also, for fresh cows, and they are by no means plentiful.

Hogs at the close of the market to-day were 10 cents for the tops, which is practically 50 cents a cwt. higher than St. Paul. The general opinion is that while there will be a fairly heavy run of cattle later in the season, that the movement of hogs will be comparatively light. There were very few sows bred last November, and this means that the spring crop of young hogs will be light. There will prob-

ably be heavier breeding done this season, owing to the prices that have prevailed, and the outlook for a continuance of good prices. There is a lot of more or less damaged coarse grain in the country, and pasture is now abundant.

The Live Stock Commission.

The Live Stock Commission which was appointed by the Province of Saskatchewan last year, and which comprises representatives from the three Western Provinces, will open sitting in Winnipeg on the 12th of June. This Commission has already collected a great deal of data in the Province of Saskatchewan, and in Winnipeg it is expected to take up transportation, minimum weight of cars, insurance on live stock, and many similar questions. The representative of the Province of Alberta on the Commission is Dr. J. G. Rutherford, of the Natural Resources section of the Canadian Pacific Railway, and the Manitoba representative is J. D. McGregor, who has made Manitoba famous for beef steers by his winnings at the International at Chicago, and also at Toronto, Guelph and Ottawa.

Wool.

Good progress is being made with the co-operative selling of the Western wool. The warehouse for Saskatchewan will open in Regina on the 19th of June, and will remain open until July 1st. A grader has already been installed, as shipments are now coming in. J. A. Hill, who has had eight years experience with the National Wool Warehouse Company in Chicago, is doing the work for the Dominion Government, and the Province expects to handle in this way some 200,000 to 225,000 pounds of wool. Manitoba has received the first shipments and their grader will be at work now in a couple of days.

An arrangement is being made between the two Provinces so that Southern buyers coming up to bid on the wool may visit the two places in sequence and thus save the expense of two trips.

Saskatchewan last year did not have its wool graded, and as it has some range country they were felt to suffer on this account. As a matter of fact, Saskatchewan has very few range sheep and the bulk of their wool is of a very high quality, and this year they hope to receive a much higher price, as a result of the grading.

KRAFT PAPER IN NEW ZEALAND.

There is a good demand for kraft paper in New Zealand, according to a report under date of April 17, to the U. S. Department of Commerce. Previous to the outbreak of war large quantities of kraft paper were imported from Norway and Sweden, but shipments from these countries are now practically stopped. On that date kraft was selling at \$150.86 per ton, compared with \$111.93 per ton before the war.

WOOL CENSUS IN BRITAIN.

The British War Office has issued a notice, ordering merchants and manufacturers to furnish a list of all wool and wool products in quantities exceeding 5,000 pounds in weight in their custody or control. The information must be furnished before June 6 under penalty of a violation of the Defence of the Realm Act.

It is understood that the result of the census will influence a decision on pending questions concerning the control of the exportation of wool from South Africa and the United Kingdom to the United States.

JUST OUT.

CANADIAN INDUSTRY, COMMERCE AND FINANCE. — Includes a complete Directory of Canadian Commodities and Producers—The Handbook of Canadian Business. See page 14 of this issue.

Empire Cotton Mills Welland, Ontario Limited

Manufacturers of

Textiles, Sail Duck, Bag Cloths

and

Seamless Bags

Write for Quotations

GRAIN AT THE HEAD OF LAKES.

Fort William, June 2nd, 1916.

Statement of stocks in store in Terminal Elevators at Fort William and Port Arthur on June 1st, 1916, with receipts and shipments during the week.

Elevator.	Wheat.	Oats.	Barley.	Flax.
C. P. R.	1,473,392	465,689	79,908	.....
Emp. and				
Th. Bay ..	946,847	200,760	33,776	214,817
Consolidated	821,078	218,848	34,507	144,926
Ogilvie ..	1,177,799	156,997	21,424	.....
Western ..	1,011,523	238,044	9,502	212,017
G.G.G. Co. ..	1,475,549	429,435	34,315	.....
Ft. William	647,307	360,980	43,152	22,888
Eastern ..	643,795	208,703	26,948	.....
G. T. P.	1,604,298	454,506	44,549	140,661
Can. Nor. ..	1,795,690	589,466	138,632	133,542
Horns ..	140,977	40,190	23,610	239,808
Can. Govt..	1,444,635	465,569	51,603	75,777
Total ..	13,182,895	3,829,193	541,931	1,184,440

A year ago.	3,285,921	1,364,023	248,937	1,451,552
Receipts ..	5,947,583	2,097,770	95,215	120,058
Ship. Lake.	5,258,117	1,715,386	135,447	.....
Ship. Rail .	102,481	26,677	4,996	5,429

Stocks by Grade.

Wheat.		Oats.	
No. 1 Hard ..	35,216	No. 1 C. W. ..	42,994
No. 1 Nor. ..	6,184,847	No. 2 C. W. ..	1,937,632
No. 2 Nor. ..	1,956,160	No. 3 C. W. ..	999,872
No. 3 Nor. ..	1,666,271	Ex. 1 Feed ..	259,390
No. 4 ..	1,385,820	Others ..	589,303
Others ..	1,954,578		
Total ..	13,182,895	Total ..	3,829,193
Barley.		Flax.	
No. 3 C. W. ..	200,265	No. 1 N. W. C. .	1,001,482
No. 4 C. W. ..	195,740	No. 2 C. W. ..	120,886
Rejected ..	68,491	No. 3 C. W. ..	28,382
Feed ..	30,899	Others ..	33,708
Others ..	46,535		
Total ..	511,931	Total ..	1,184,440

RECORD IMPORTS OF THRASHERS IN ARGENTINA.

Argentina imported 1,000 thrashing machines in the year ended March 31 1916. The 1915 statistics show a total importation of only 627 thrashers, although this was 546 more than in 1914, but many machines ordered to thrash the great wheat crop of 1915 were delayed in arrival by the irregularity of the steamship service, and when they reach Argentine ports in the later winter and the spring of 1916 the immediate need for thrashers was largely past, for thrashing in Argentina begins in December and is over by March or April. La Razon of Buenos Aires in a recent issue calls attention to the large stock of thrashers now available in Argentina, and believes it will be sufficient to thrash the wheat of the coming harvest.

A New York flour mill with a capacity of 11,000 barrels a day is now manufacturing flour for Germany and storing the product while waiting either for a submarine to come and get it or for a ship to take it and attempt to run the blockade.

Textile Mills

throughout Canada are working overtime on military and regular business

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

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is a department of condensed information of value to Canadian commercial interests.

This is one of the many regular features of the Journal of Commerce designed for the busy business man.

Every Item of Interest.

MONOPOLIES IN STRAW.

(From the Toronto Globe).

At one time the plaiting of straw for making hats was among the domestic industries of rural Ontario, almost as familiar, in season, as carding wool, spinning, or knitting. No one has invented a straw plaiting machine, but the pressure that makes the Chinaman resort to work affording returns on which Western races would refuse to live has given the Celestial Empire a monopoly. Wheat straw is used almost exclusively. It is cut into lengths between the joints and split into from two to seven pieces, according to the fineness of the braids to be plaited. The finest are less than an eighth of an inch wide. Shantung is the business centre of the industry, but Britain's freedom from customs officers has given her the same monopoly of the bleaching that she holds with regard to the dyeing of sealskins. The bleaching industry is located in Luton, a town about forty miles from London.

When plaiting was carried on in Canada and the United States rye straw cut before ripening was used, and the product was strong and durable. Perhaps the passing of the demand for durable hats has been among the influences tending to transfer the industry to China, and to permit the use of wheat straw, ripened, and consequently weak and brittle. No man, and certainly no woman, wants a durable straw hat. As a rule there is an aversion toward appearing in a hat a season out of fashion. The Chinese product meets the demand. While plaiting would yield only a few cents a day at Chinese prices, the work helps to eke out the meagre returns from other fields of industry. The straw hat season is at hand, and it should remind inventors that the chance to revolutionize the manufacture is still open.

Difficulties in the Paint Situation Ontario's Mineral Output

Limited Supplies of Different Ingredients, Combined with High Prices, Are Adverse Factors.

Mines Bureau Report Shows Big Increases in Production.

As we approach the close of the second year of the war the various effects of the struggle now going on in Europe dominate our Canadian industries to a greater extent than ever. Many unusual features arising from abnormal European conditions characterize the paint market in particular, as new supplies of the various raw materials required for the manufacture of paints and varnishes are either almost unobtainable or only at very high prices.

White lead has advanced 75 per cent to 90 per cent since the beginning of the war, as the bulk of supplies obtainable is being used for munition purposes, particularly for bullets which are made of seven parts lead and one part antimony. Canadian manufacturers are entirely dependant on the United States at present, as the munition factories are taking the total output of the only Canadian smelter, which is at Trail, B.C. The English embargo on lead is also curtailing supplies as considerable quantities were formerly imported from the United Kingdom.

Zinc is also required for munitions, and a large percentage of the actual world production has been cut off by the war, especially in the case of mines in Belgium and Northern France, whence we derived a large part of our supplies before the war. There are also large zinc mines in Australia which were formerly under German control, but owing to prevailing labour troubles they are not being operated to any great extent at present. The American market is now controlled by a small number of leading firms who are apportioning the limited quantities of zinc available among their regular customers as they see fit, a certain amount coming to Canadian manufacturers. The result of this general shortage is unheard of prices, a pound of zinc now bringing 28c to 30c, where the price stood at 6c to 7c before the war.

Linseed oil, the third chief factor in paint manufacture, is also very difficult to procure, as shipments from England of the oil made from Calcutta seed have been restricted, and the Argentine linseed is held up by lack of ocean tonnage. Recent reports from the chief American markets are to the effect that some means of transporting the large stocks of linseed in store in Argentina will be obtained shortly, which will tend materially to relieve the present crisis. The United States supply is altogether inadequate, but special efforts are being made to increase the production of flax seed, and thereby relieve the situation.

The colour question is a very serious factor in the paint situation, although this market is by no means in such dire straits as is the textile trade, which was entirely dependent on aniline colours before the war. The normal range of paint colours not being by any means so extensive as that of textile dyes, it has been possible in many cases to replace the German article in the United States. For example manufacturers are able to obtain greens and oranges from earth colours, and also the various colours made from white lead, to a limited extent. Para reds, used for agricultural implements and railways signals constitute the chief difficulty. These colours are made from beta naphthol and paranite aniline, which formerly came from Germany. Distilled beta naphthol is now being manufactured to some extent in the United States, and is bringing eight to ten times the price of the German article, and limited quantities of paranite are similarly being made and are selling at fifteen times the normal price. Prussian blue, in spite of a rise in price from 25c. to \$1.75, is being used extensively to take the place of certain aniline dyes. The siennas and umbers hitherto brought from Italy are held up by the freight situation and labour shortage caused by the war. This extensive lack of raw materials has caused an advance in the price of paint of from 25 to 50 per cent, and in some grades an even still greater increase.

At the opening of the war there was a considerable falling off in the demand for construction work and manufacturing purposes, but a decided improvement has been felt during the last twelve months. The bumper 1915 crops have brought unusual prosperity throughout the country, which is reflected in an excellent demand for paint in all

"The demand for nickel and copper, due to the war, has been insatiable, and the Sudbury mines have shown a capacity for meeting the requirements which could scarcely have been anticipated," is the statement made in the report of the Provincial Bureau of Mines for the first three months of 1916. "The output of nickel and copper in the matte was fifty per cent greater than in the first three months of 1915. If the present rate of production is maintained through the year, 1916 will see about 40,000 tons of nickel and 22,000 tons of copper turned out by the smelters in the Sudbury district, as against 34,000 tons of nickel and 19,600 tons of copper in 1915. The Canadian Copper Company and the Mond Nickel Company are the producers; the Alexo Mine turning out a small quantity of ore, which is sold to the Mond Company."

Cobalt oxide and nickel oxide met with a rather better demand, though the quantities exported are still below those of normal times. Metallic cobalt is coming into use, principally in steel alloys, and there is now a small quantity of nickel refined in Ontario from the silver cobalt ores of the Cobalt camp.

Taking the figures as a whole, there are increases in all products except iron ore.

The total value of the production for the first three months of 1916 was \$14,276,382, as compared with \$9,358,210 for the corresponding period of last year. This large increase was due not only to the greater output but to the higher prices now prevailing for most of the metals.

Increase in Gold Yield.

The increase in the yield of gold was 31,511 ounces, worth \$658,872. Compared with the rate of production for the whole of last year the advance was less marked, but developments now under way are likely to lead to a substantial increase. Porcupine provided the bulk of the 107,818 ounces production, namely, 99,282 ounces. Hollinger led in output, followed by Dome, Acme, McIntyre-Porcupine, Porcupine Crown, Vipond, Schumacher and Dome Lake in descending order. The mines situated elsewhere making up the remainder of the yield are Tough-Oakes and Croesus. Consolidation of the Hollinger, Acme and Millerton interests, says the report, will no doubt lead to a more extensive development and a greater output from these properties.

A feature of the quarter was an actual increase in the yield of silver as compared with the first three months of 1915, amounting to 67,664 ounces, from 5,230,167 to 5,297,831. In value the increase was proportionately greater, namely, \$462,673. This was due to the remarkable rise in the price of silver, amounting to about 50 per cent over the average figure for 1915. A large part of this increase took place in the latter part of the quarter and afterwards, consequently the benefit of the higher prices was only partially realized during the three months. The natural effect of the advance has been to stimulate both mining and prospecting in Cobalt and to enable low-grade ores in the mines or on the dumps to be worked, which at the former low prices of silver were without value. Nipissing continues to lead in quantity of output. Townsite-City, Seneca, Superior, Kerr Lake, La Rose, Coniagas, Cobalt Lake, McKinley-Darragh-Savage, Beaver, etc., follow in the order named.

The blast furnaces of the Province produced about 70 per cent more pig iron than they did in the first quarter of 1915, and the produce was worth almost 100 per cent more. About 15 per cent of the iron ore charged into the furnaces was taken from deposits in Ontario, the remainder coming from the United States.

agricultural districts. The car companies have had large orders from the Russian, French, Belgian and our own Dominion Governments, for which they have consumed large quantities of paint. Munition works are also using paint extensively in the manufacture of shells, shrapnel and high explosives. The latter, for example, are varnished inside to keep the explosive from coming into direct contact with the metal case.

On the whole the paint market continues to be very active, with every prospect of a good demand at high prices, the chief drawback back in the situation being the impossibility of obtaining essential raw materials.

Book Review

Wall Street has been discussed from almost every conceivable point of view, but an important factor (its accounting) had hitherto been treated.

The recent book "Brokerage Accounts," The Ronald Press, 20 Vesey Street, New York (\$3.50 post-paid), was written in partial fulfillment of the requirements for the degree of Master of Commercial Science of the New York University by Frederick Simson Todman, a lecturer in the Department of Finance, New York University.

The methods, practices and accounts of stock brokers are carefully discussed. The Cotton Exchange through which 15,000,000 bales of cotton are marketed annually and the Produce Exchange, which deals in grain, provisions, and cottonseed-oil are dealt with as they are almost equal in importance to the Stock Exchange. Practically all the standard forms in use in the exchanges are reproduced.

Uncle Sam Banker, 1910-1940, is (printers, Hutchison and Broadbent, McKeesport) published by James A. Fulton. The author is a business man of McKeesport, Penn., and is dedicated to the work of calling attention to the great volume and importance of what he calls the money service and of the necessity for its establishment upon a more public basis of issue and regulation. His summing up of the situation as it would be in 1940 in the United States will be considered by most authorities on finance as very Utopian.

"1940

Estimated population of U.S. . . . 130,000,000
Estimated wealth of U.S. \$300,000,000,000.00

The Public Banks.

Every post office is a branch, empowered to transact various portions of the work included in the general system.

Deposits received in any amount. All deposits subject to check, or withdrawal in cash, in whole or in part, at any time.

No interest paid on deposits.

Aggregate number of depositors . . . 40,000,000

Aggregate deposits . . . \$60,000,000,000.00

Loans made upon bonds of states, counties, cities, school districts and other sub-divisions of government. Also to corporations, partnerships and individuals upon pledge of ample real estate, security and upon warehouse certificates of staple products.

Interest rate upon loans . . . 2 per cent

Aggregate volume of loans, \$60,000,000,000.00

After making ample allowance for entire cost of operation, the public bank system results in a net annual profit to the government of approximately . . . \$900,000,000,000.00

The Private Banks.

Approximate number of all kinds of private banking and money-lending concerns . . . 200,000

No deposits allowed, either "on time" or "subject to check."

All loans made from proceeds of paid-in Capital Stock.

Aggregate Capital-Stock . . \$15,000,000,000.00

Aggregate volume of loans . . \$15,000,000,000.00

Interest rate upon loans — not to exceed 6 per cent."

A new feature is the large number of illustrations. In 1940 the private banks are to be confined to a class of loans more risky and of a character impracticable for the public banks to handle. Having no depositors the banks have no "demand liabilities" hovering over them and they are always able to do what the law expects of them without looking to other banks to come to the rescue as was sometimes necessary under the old system. The Federal Reserve Bank plan and the Postal Savings Bank are pointed to as steps which led to the 1940 plan. The Federal Reserve is an addition to the "National Bank" legislation and is a bank for banks, a sort of clearing house which enables banks to help each other when help was needed, and, under certain conditions, it is compulsory to do so. It is possible for individual banks more quickly to realize upon their assets, by rediscounting them with the Reserve Banks and makes it easier to take care of local runs. The Postal Bank was a venture of the government and at one time thought to be very radical, but the Federal Reserve legislation forced the other banks to furnish part of the working capital for another bank, under penalty of being of practically forced from the banking field. The author predicts the Federal Reserve will be very useful for some years and its best features will be merged in the 1940 plan. He describes the fight for control and the

victory for the government which now appoints the board of central management.

The author thinks a tax collected upon the medium of exchange, compels all producers to contribute, no matter how thrifless or wasteful they may be, and this equitable sharing of the burden in turn promotes greater productive efforts since, freed from all the clouds of dust, taxes are but a portion of the people's products and services set aside by the community for collective purposes.

To urge revenue necessity as a reason for heavily taxing great fortunes or great incomes obscures the question for if revenue is the justification for such taxes it justifies the perpetuation of great wealth and incomes so that revenue may be continuously obtained from them.

Reference is made to one of the most remarkable banks in all history — the Bank of Venice which existed for 600 years without a panic and made Venice a great commercial centre. Credits were always at a premium over coin. This bank was overthrown only by the invasion of Napoleon's armed forces. The main feature was a transferable but non-withdrawable system of credits, or checking accounts. Modern bankers would think such credits or checking accounts would be valueless as they were considered, century after century, a better money medium than either gold or silver and always commanded a premium over coin, the premium finally being limited by law. The book sells at \$2.00.

H. S. R.

THE WATER-WORKS OF CANADA.

A new edition of "Water-works and Sewerage Systems of Canada," by Leo G. Denis, has just been issued by the Commission of Conservation. In the present report the various physical and financial data respecting water-works have been brought up-to-date, and a new section on sewerage systems has been added.

In the year of Confederation there were only 7 water-works plants in Canada; to-day there are 528. These have been built at a total cost of \$123,725,633, and entail an annual maintenance charge of \$4,558,539. The total daily consumption is 426,877,000 imperial gallons, which gives an average daily consumption per capita of 111 gallons, ranging from 50 gallons in Manitoba to 143 in New Brunswick.

There are 2066 plants supplied from springs or wells and 322 from lakes or streams. In 72 plants the water is filtered, and in 21 plants it is treated with hypochlorite. The municipally owned plants number 3966. As to rates, where specified, it shows that flat rates are used in 209 cases, meters in 30, and both flat and meter in 141.

There are 279 sewerage systems in Canada, having an aggregate mileage of 4,223, and which have been built at a total cost of 74,504,418. In only 75 municipalities is the sewage treated. Proportionally to population, the West, with 28 treatment plants, makes a much better showing than the East, with 47. The total cost of the treatment plants is \$3,218,935.

THE REVUE TRIMESTRIELLE CANADIENNE.

The February edition of the Revue Trimestrielle Canadienne, the third issue published, maintains the high standard set by the earlier numbers. This new quarterly is being published by the Association des Anciens Elèves, Ecole Polytechnique, Montréal, and its contributors are in the main members of the faculty of Laval University and of the Ecole Polytechnique.

The contributions deal with topics of the day as well as with subjects of a more technical nature. The magazine is well printed and presents a most attractive appearance.

THE HISTORIC LANDMARKS ASSOCIATION.

The Historic Landmarks Association of Canada has recently issued its report for the year 1915. This society was formed a little more than a year ago but has been active from its formation. Until the conclusion of the war, the Association will not recommend the further marking of sites owing to the expense involved, but throughout the past year it has been compiling a Directory of Sites. The achieve-

Farmers Should Breed More Cattle

Market Conditions Encouraging, According to the Dominion Live Stock Branch.

A very competent authority estimates that, having reference to last year's trade, average prices current for beef on the Smithfield market in London, England, for 1915, show an increase of 40 per cent since the outbreak of the war. The last English produce report to hand quotes Irish beef at 19 to 20c per lb. for sides, wholesale, and English at 20 to 21c. per lb., as against a price of 15½ to 16¼c. for Irish, and 15¼c to 16¼c for English, during the last week in December, 1915. It further quotes South American chilled forequarters at 16¼c and hind quarters at 19¼c, as against 12½ and 16c respectively for forequarters and hindquarters in December. "Supplies of frozen beef are practically exhausted, only a few small odd lots of bull beef being obtainable. These, in view of the strong demand ruling for all classes, realize high prices. The absence of frozen supplies has again forced buyers on to the chilled article, with the result that values have advanced sharply."

The general beef situation, from the standpoint of the home and foreign market, further emphasize the shortage of supply. One feature is particularly noteworthy. It has never been indicated from any country that there is an undue accumulation of beef in storage or a congestion of cattle going forward to market. Present prices and present demand fully confirm this fact. The position in Europe is well known. The Argentine output has been absorbed for army supply to such an extent that very little frozen Argentine beef is available for civil consumption in Great Britain. Australia has passed through a severe season of drought, and her exportable surplus has been greatly diminished. Moderate supplies of cow beef are going forward from New Zealand, but these are not of first-rate quality. Canada and the United States have not appreciably increased their cattle population, and are clearly able to find a remunerative market in Europe, for any of their product available for export. The steady and continuous rise in price definitely reveals the condition of the world market for beef and emphasizes the fact that the situation is growing worse, with the progress of the war.

Contrast the position with respect to grain. Enormous stores of wheat are tied up in Russia. In Siberia alone it is estimated that there is an accumulation of over 9,000,000 tons of grain. Until peace is declared, this accumulation will probably become more pronounced. After the war, the production of grain will again be undertaken on an enormous scale in all the contending countries. In view of this fact, and with the release of the accumulated stocks, it is undoubtedly true that grain will then drop in price to a very considerable extent. With an overstocked grain market and a pronounced under-supply of cattle the farmers of Canada should have little difficulty in making up their minds as to what their policy shall be for the future.

One warning, however, should be given. We must emphasize quality before quantity. On the British market, Canadian beef does not equal in quality the beef exported from the United States or from the Argentine. Unless we can improve our cattle, both as regards quality and as regards finish, we need not expect to be able to effect sales at Smithfield, but shall be obliged to seek a market in France or Italy. Even our best grass fed cattle, when offered on the Chicago market last year, yielded disappointing returns.

ment of this was facilitated by the co-operation of corresponding members in all parts of Canada. The secretary's report shows a greatly increased membership.

The Association enjoys distinguished patronage. The Duke of Connaught is a visitor, while Sir Robert Borden is its Honorary President. Its executive is as follows: President, Pemberton Smith, Esq., Montréal; Vice-presidents, P. B. Casgrain, Esq., K.C., Québec; W. D. Lighthall, K.C., F.R.C.S.S., Montréal; Sir Edmund Walker, C.V.O., LL.D., F.R.C.S., Toronto; General Secretary, Mrs. J. B. Simpson, Ottawa; French Secretary, Benjamin Sulte, Esq., F.R.C.S., Ottawa; Treasurer, Geo. Durnford, Esq., F.C.A., Montréal.

Shipping News

THE WORLD'S TONNAGE.

Total tonnage of sea-going ships of the world is 33,531,503, but only 20,797,054 tons, or approximately 62 per cent, is available to-day for ocean trade.

Ocean freight rates, now at the highest level in history, have withstood efforts of individuals, organizations and nations to force them downward. These efforts failed, because 88 per cent of the people of the wealthiest and most densely populated continent are at war and their imperative needs continue to overtax a short supply of ocean tonnage.

The nations of Europe engaged in war own 21,432,114 tons of the total sea-going tonnage:

Merchant Marine of Entente Allies.

Net tonnage:	Sail.	Steam.	Total net.
Great Britain ..	902,718	10,992,073	11,894,791
France ..	624,521	838,118	1,462,639
Belgium ..	7,616	174,021	181,637
Russia ..	256,844	494,761	756,605
Italy ..	410,991	696,994	1,107,985
Portugal ..	43,844	70,193	114,037
Japan ..	447,307	1,430,329	1,877,636
Total ..	2,693,841	14,701,489	17,395,330

About 65 per cent of this entire tonnage is owned by Great Britain. Recently England has been commandeering vessels which she turned over to France and Italy.

Merchant Marine of Teutonic Allies.

Net tonnage:	Sail.	Steam.	Total net.
Germany ..	498,228	2,655,496	3,153,724
Austria-Hungary ..	305,500	305,041	610,541
Turkey ..	205,641	66,878	272,519
Total ..	1,009,369	3,027,415	4,036,784

Merchant Marine of Neutral Nations.

Net tonnage:	Sail.	Steam.	Total net.
United States ..	1,507,630	5,335,574	6,843,204
Norway ..	632,989	1,085,617	1,718,606
Sweden ..	180,585	868,330	1,048,913
Denmark ..	91,088	415,436	506,624
Netherlands ..	40,636	576,678	617,314
Spain ..	44,325	250,081	294,406
Greece ..	136,689	433,633	570,322
Total ..	2,633,940	9,465,349	12,099,389

Of 21,432,114 tons owned by nations at war, 4,036,784 tons belonging to the Teutonic allies are anchored in neutral harbors or confined to circumscribed areas by blockading fleets. Part of Russia's merchant fleet is bottled up in the Black Sea, and ships of the Entente allies found in German ports were seized. Of 17,395,330 tons remaining, over 50 per cent has been commandeered to act as transports, supply ships and to carry munitions and food.

In normal times this reduction would have sent freight rates up to unprecedented levels. But added to this was a contributing cause more potent than the shortage. It was the imperative need of warring nations for grain, provisions, arms and ammunition, clothing and livestock, far in advance of their own ability to produce. A ship load of ammunition, that would be three to four weeks in transport from an American factory to the trenches, would be shot away in less than an hour in such battles as around Verdun.

Requirements of food and ammunition for armies

CANADIAN PACIFIC

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Windsor Hotel, Place Viger and Windsor St. Stations.

made negligible any charge for ocean freight, so far as governments were concerned. Of 20,815,446 merchant tonnage available, 12,099,389 tons belonged to neutral nations. And they controlled the rate situation.

Within a few weeks England had requisitioned up to 50 per cent of her merchant marine and placed her hand over the remainder so she could control it. France, Italy and Russia commandeered even a larger percentage. All paid the neutral ship owners the transportation charge asked.

When the Anglo-American commission was in America last September ocean rates were 250 per cent to 400 per cent above the pre-war schedule. By leaps and bounds rates went to an advance of 600 per cent to 1000 per cent at beginning of 1916. Around these figures they have remained. The British admiralty advances or lowers rates on its commandeered and space-controlled ships to check or facilitate movement of such goods as England wants at the moment. At times and not infrequently of late, shippers pay a bonus to secure immediate service.

Sir Cyprian Bridge of the British admiralty on March 20 gave the following as the losses to merchant tonnage from mines and submarines since the war began (tons):

United Kingdom ..	1,339,000
Britain's allies ..	329,000
Neutral nations ..	293,375
Total ..	1,961,375
March 20 to May 1, about ..	70,000
Total ..	1,891,375

According to Lloyd's the tonnage launched since the beginning of the war is 1,201,638 tons. These figures show an estimate of the world's tonnage loss of 689,737 tons.

The largest ship building yards belong to the belligerents and are subject to admiralty orders. Only about 25 per cent of their capacity is available for merchant ships.

Notwithstanding the demand for ships for the past year, tonnage launched has not equalled tonnage sunk.

LAKE OF BAYS HIGHLANDS OF ONTARIO.

The beautiful summer resort district in the Highlands of Ontario is anticipating one of the most successful seasons in its history. The Lake of Bays is reached through Huntsville on the Grand Trunk Railway, and offers splendid accommodation to the visitor, excellent boating and fishing, picturesque scenery and invigorating air.

The district is attracting many golfers. A fine course is available near the Wawa Hotel at Murray Point, and another golf course is to be opened this season at Clovelly, just across the Lake from the Hotel. The Wawa opens for the reception of guests on June 15th.

An attractive booklet, describing the Lake of Bays region may be had on application to M. O. Dafeo, No. 122 St. James St., Montreal.

DONALDSON LINE

GLASGOW PASSENGER SERVICE

From Glasgow From Montreal
May 27th .. (x) T.S.S. CASSANDRA .. June 13th
(Cabin Only.)
(x) S.S. LAKONIA (Freight Only) About June 20th
(x) T.S.S. SATURNIA (Cabin Only) .. June 24th
(x) T.S.S. ATHENIA (Cabin Only) .. July 2nd
Steamers marked (x) Cold Storage.

For information apply to
THE ROBERT REFORD CO., LIMITED,
20 Hospital Street, Montreal.

CUNARD LINE

Canadian Service

MONTREAL TO LONDON

From Montreal.

T.S.S. AUSONIA (Cabin Only) (Cold Storage and Cool Air) .. June 6
x S.S. NUCERIA .. June 14
T.S.S. ASCANIA (Cabin Only) .. July 1

MONTREAL TO AVONMOUTH DOCK (Bristol.)

S.S. PRINCIPELLO (Cabin Only) .. About June 14
Steamers marked (x) freight only.

Passenger steamers call at Falmouth.
For information apply The Robert Reford Co., Limited, 20 Hospital Street, Steerage Branch, 23 St. Sacramento Street, Montreal.

Railway News

ALGONQUIN PARK.

Just the out-of-the-way sort of place that appeals to the lovers of God's out-of-doors, and to those who desire to get away from the worries of business. Two thousand feet above the sea level, — the highest point in the Province of Ontario — the air is pure and bracing and the nights cool. Splendid hotel accommodation at the "Highland Inn" at Algonquin Park Station, or at the novel log cabin camps on Smoke Lake and Island Lake. City convenience in a delightful wilderness. There are 1500 lakes and rivers in Algonquin Park and unlimited opportunities are offered to the angler, camper and canoeist in its confines of 1,750,000 acres. A handsome publication profusely illustrated and giving all particulars has been issued by the Grand Trunk Railway, and may be had free on application to M. O. Dafeo, C.P., and T.A., No. 122 St. James St., Montreal.

OPERATING RESULTS OF U.S. RAILROADS.

Revenue and Expenses for March, 1916.

Net operating income of the railways of the United States for March increased \$118 per mile, or 48.4 per cent, as compared with March, 1915. Comparing March, 1916, with the average March of the preceding five years, the increase was 45.4 per cent. Total operating revenues amounted to \$289,176,150, an increase over 1915 of \$57,720,345. Operating expenses were \$193,643,319, an increase of \$29,055,642. Net operating revenue amounted to \$95,532,831, an increase of \$28,664,703. Taxes amounted to \$12,374,477, an increase of \$1,183,377. This left \$83,101,002 net operating income, available for rentals, interest on bonds, appropriations for improvements and new construction, and dividends. Operating revenues per mile averaged \$1,260, an increase of 24.1 per cent operating expenses per mile averaged \$844, an increase of 16.8 per cent net operating revenue per mile averaged \$416, an increase of 41.9 per cent, while net operating income per mile was \$362, an increase of 48.4 per cent. Taxes per mile increased 9.8 per cent. Railways operating 229,423 miles of line are covered by this summary, or about ninety per cent of the steam railway mileage in the United States.

March operating income per mile was 48.4 per cent greater in 1916 than in 1915, 50.9 per cent greater than in 1914, 54.3 per cent greater than in 1913, and 39.1 per cent greater than in 1912.

G. T. R. OFFICIAL DEAD.

Hugh F. Coyle, district superintendent of the Grand Trunk Railway, died suddenly in his private car, attached to an Erie train for Buffalo, May 31. Death was due to heart trouble. He had been visiting his son, E. B. Coyle, chief dispatcher of the Erie at Meadville. Mr. Coyle was formerly an Erie official at Meadville, but had been with the Grand Trunk many years.

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