

Trade Conditions In Canada Change In Eight Months

Increase in Industrial Operations Not Spectacular But Steady.

The entire picture of trade conditions in Canada has been changed during the last eight months, with outlook favorable for the gains holding, which will permit most lines of business to close the year in a stronger financial position than at the end of 1932. While the increase in industrial operations has not been spectacular, the fact that employment totals have risen for seven months in succession over those of the month preceding is indicative of the progress being made in this direction. A reflection of the widening employment and larger buying power is present in the steady rise in retail distributive totals, which now are starting almost vertically upward again, being bolstered by the heavy demand for winter merchandise in country districts and the expanding purchases of Christmas goods in urban centres.

Retailers this week were particularly encouraged by the sharp increase in sales of novelty and so-called luxury items, in addition to the fuller movement of medium and higher-priced items in household electrical appliances, radios, hosiery, gloves, stationery, and haberdashery. Sales of men's clothing continue to run in excess of last year's volume by a higher percentage than estimates made at the beginning of the season indicated, while women's heavy coats, fur garments, winter sporting goods, and lumber-camp supplies are going into consumption at an accelerated rate, according to despatches to Dun and Bradstreet, Inc., from branch offices located in the chief commercial and industrial centres of the Dominion. The volume of business thus far recorded is indicative of the largest retail sales total for any December in fully four years, despite the unfavorable situation in some of the western sections, where crop failures were general. The improvement in wholesale markets during the week was confined chiefly to dry goods, groceries, and boots and shoes. The trend of wholesale prices has been steadily upward for the last four weeks.

While the repeal of prohibition in the United States is expected to enable Canadian distillers to dispose of 40,000,000 gallons of surplus whisky, which now is held in bond, it is doubted that demands on Canada for supplies will be heavy once the American distillers get into production. In some quarters it is held that tourist traffic may decline, particularly in border cities, now that the arid era in the United States has been brought definitely to an end. The industrial situation, however, particularly in the eastern part of the Dominion, continues to grow brighter, being supported by the good schedules being maintained by textile and shoe factories, and the larger output of paper mills. The heavy industries, such as iron and steel, have not share noticeably in the upturn, because of the dullness in the building trade. There has been some improvement in the latter, as construction awards in

FINANCIAL FACTS

THESE NOTES ARE SUPPLIED BY THE SAINT JOHN OFFICE OF JOHNSTON AND WARD, STOCK BROKERS

Nothing occurred in the past week to suggest any marked change, in the immediate sense, in the general business situation. While the uncertain future of the United States dollar exerts a deterring factor on all business involving forward commitments, particularly as related to production of durable goods, Canadian trade is clinging tenaciously to a good portion of the sharp gains scored in the spring and early summer, registering undeniable progress in many directions. Without attempting to minimize the tremendous influence upon the Canadian economy of changes in the United States monetary, economic and social situation, it is possible at the same time to draw considerable encouragement (probably more long-term than otherwise) in the irrefutable evidence of basic improvement in trade conditions throughout the world at large. Granted that the monetary program of President Roosevelt contains its undesirable features, sight should not be lost of the fact that a large portion of Canada's exports, on which this country is peculiarly dependent, find their market in countries where recovery is proceeding, if slowly, nevertheless on a firm and natural foundation. Canada has already benefitted to a marked degree from this condition, as was shown in the last monthly letter of the Canadian Bank of Commerce, by way of substantially increased production and exports of lumber, pulp and paper, copper, nickel and other base metals, and there is sound justification for expecting continuance of a major upward trend. There is evidence that the movement possesses sufficient breadth and vitality to carry forward, even though hampered by many unnatural barriers.

November exceeded those of the comparative 1932 period for the second successive month.

Export trade continues to improve, with movement of livestock of good proportion, although the closing of navigation from the St. Lawrence is expected to curtail shipments. Besides, a flurry in cattle prices has unsettled somewhat the domestic market, which will have its reflection on exports to the British Isles. Export sales of lumber to Great Britain have not been in such large volume in the past decade or more, and the outlook in the lumber market indicates continued improvement. Stocks of lumber on hand have been reduced to skeleton proportions, and a considerable volume of new cutting would be necessary to restore stocks to normal, even though new orders were not being received in good volume. Production of gold still is expanding, with output running about 12,500 ounces ahead of last year's. Total production of gold for 1933 is estimated at a value of \$109,000,000, as compared with \$86,510,525 in 1932. There also has been a gain in the production of other metals.

FISHERIES CAMPAIGN

Eastern Fisheries Association has been formed as a co-operative organization of Atlantic fisheries to conduct a vigorous campaign, starting before the end of this year, in which newspaper copy will be tied up with transcription broadcasts. The tentative plan is to telegraph wholesalers to release certain copy according to the news of the catches of a particular variety of fish, thus creating a demand to meet supply and avoiding gluts of the market. At least \$500,000 will be spent, contributed by individual companies into the big advertising pool. Harold F. Turner, editor of Fishing Magazine, is one of the organizers of the campaign.

U. S. DOLLAR UNCERTAIN

The future of the United States dollar received no clarification during the week. The President failed to discuss his policy in public utterances, and, for once, the Administration did the expected by refunding its maturing treasury notes with a new one-year issue for \$1,000,000,000. The reception accorded this offering together with continuation of the upward trend in railroad, utility and industrial bonds were two of the week's favorable developments. Throughout the week, the R.F.C. gold price was held unchanged at \$34.01. This is the longest period of stability yet recorded by the quotation but opinion is divided as to whether its signifies probable stabilization or represents merely a temporary halt to help steady the government bond market and assist the refunding operation. Certainly, there has been no official suggestion that Roosevelt was ready to stabilize without achieving his much-desired rise in commodity prices, which, by the way, were slightly firmer towards the week-end.

WHEAT CONFERENCE

Canada's policy as regards marketing of wheat and also the advisability of acreage restriction was the subject of a conference of federal and provincial officials but the results, if any, of the deliberations were not made public at time of writing. While the question is important, it is well not to expect too much from conferences and agreements. The main influence on wheat prices will continue to be weather reports.

LIQUOR FLOWS TO UNITED STATES MARKETS

With repeal in the U. S. an accomplished fact, Canadian exports of liquor to that market began at once and it was indicated that no undue restrictions upon its continued flow were contemplated.

THE SABBATICAL

The ancient Israelites were adepts in tillage and knew the uses of fallow and manure. Every seventh year they were commanded to suffer their fields and vineyards to rest or lie without tillage. This fallow for an entire year prevented the exhaustion of the soil, which was further enriched by the burning of the weeds and spontaneous growth of the year.

Reconstruction Is Being Suggested For Newfoundland

Royal Commission Recommendation Is Likely To Be Adopted.

The attitude of the British Government toward the report of the Newfoundland Royal Commission is clearly set out in the White Paper issued simultaneously with the publication of the report. The White Paper says:

"The needs of the island, in the view of the Royal Commission, are both constitutional and financial; and the commission recommend that, in order to avert the collapse with which the country is threatened, an immediate appeal should be made by the Newfoundland Government for the co-operation of His Majesty's Government in the United Kingdom in the execution of a joint plan of reconstruction embracing both the constitutional and financial spheres."

"While greatly regretting the situation which has arisen," the White Paper says, the British Government "feel it impossible to dissent from the main conclusions and recommendations at which the commission has unanimously arrived," and "would think it little less than a disaster if the Oldest Colony in the British Empire were to default on its obligations."

The Premier of Newfoundland has expressed the satisfaction of his government with the generosity of the co-operation proposed by the Government of Great Britain; and as one studies the Amulree Report, one becomes more and more convinced of the imperative necessity of the proposals recommended therein.

Conditions in Newfoundland today, in its public affairs as well as in the lives of the people, are truly desperate, and only outside assistance can avail to rescue that country from complete economic collapse. Moreover, with the winter months just ahead a large number of destitute people in the population of Newfoundland must be cared for. The human side of this problem must be the immediate concern of all; and while we are having our own troubles in this country, and while we are under the necessity of relieving distress, these troubles are comparatively small when placed beside those under which the Newfoundland people are laboring today.

Uniform Control of Motor Traffic Aim of Conference

(Continued from Page 1)

such board of motor traffic commissioners appointed, its first duty, guided by expert advisers, would be to prepare and submit for authoritative sanction draft legislation designed to bring the highway transportation services of all the provinces into unity as regards tariffs, freight classification, scale of employees' wages, and traffic laws generally. Under the latter head provisions would be set down that would guarantee the maintenance of adequate liability insurance to cover the full responsibilities of common carriers as well as provide liability for damages done to the highways, bridges and other roadway facilities owned by the provinces.

The railways may not quarrel with the inevitable. They must submit to the loss of a considerable volume of business to the autobus and motor truck. Nevertheless the railways will continue to be indispensable. They have performed a great service in the development of the Dominion, have helped to bring about a large measure of national prosperity in the past; and they are a security on which Canada must rely in the future. It is essential therefore that the governments should not permit the continuation of an undue impairment of their values by unfair competition. A great deal already has

been urged against conditions which favor a business rivalry that is singularly unjust to the railways, that is in many respects unfair to the taxpayers—including the railways—who bear the burden of the costs of highway construction and maintenance, that multiply the hazards of the road for the ordinary traveller and thereby increase the menace to public safety. Reformatory action is what is now desired, and as the regulation of motor vehicles is a provincial matter, it may reasonably be anticipated that some interprovincial agreement will be reached by the delegates at their forthcoming conference as to the wisest possible ways of devising a system of governmental control that, without imposing irksome or too rigid restrictions, will regulate the duties of the autobus and motor truck; that will give assurance that this public carrier service is capable of fulfilling due responsibilities and meeting valid liabilities; that will permit to a new competition only a competition that is fair; and that will curb travel abuses that are sometimes committed on the highways by a weight of traffic for which the roads were not built.

RADIO PROGRAM DIRECTOR SURPRISED IN SAINT JOHN

New arrangements for Canadian Radio Commission programs are being made by J. Frank Willis, program director for the Maritime Provinces for the Canadian Radio Broadcasting Commission. Mr. Willis has been in Saint John and met many of those who may be heard in radio programs over the Canadian chain.

After his survey in Saint John Mr. Willis said he was pleasantly surprised to find in Saint John so many artists, who can boast of real accomplishment. "I have," said he, "given auditions to a really surprising number of very talented vocalists."

"Saint John is particularly music minded I believe, and with the co-operation of your local artists and such splendid organizations as the Ladies' Morning Musical Club, whose interest in music is a very real and sincere one, I have every confidence that your city soon will have a program representation on our network second to none in the Maritimes."

Canada's Atlantic Coal Fields Will Last 700 Years

Maritimes Are Rich in Bituminous Coal; Sydney Field Best.

Outside of the small deposits of anthracite of Rhode Island, U.S.A., Canada's Maritime coal deposits stand alone on the entire length of the Atlantic seaboard of this continent. The deposits in Nova Scotia and New Brunswick, states the Natural Resources Department of the Canadian National Railways, are considered to be the southern border of a carboniferous basin occupying the greater part of the area of the Gulf of St. Lawrence. At the present rate of consumption the supply, it is estimated, will last 700 years. Nova Scotia's reserves of coal are estimated at 36,000,000,000 tons. This coal is bituminous and especially suitable for blast furnace coke, gas and steam. All the richer deposits are above the carboniferous limestone in strata considered to be of the same age as the coal measures of Great Britain. The most important of the coal measures of Nova Scotia is the Sydney field of Cape Breton island, which supplies 76 per cent. of the total output of that province and has an area of about 200 square miles.

Human hairs are stated to have an average life of between four and five years each.

City and County of Saint John

5% BONDS

DUE 1948

At 101.31 and Interest To Yield 4.88%

JOHN M. ROBINSON & CO., Ltd.

SAINT JOHN, N. B.