

ENGLAND SUCCESSFULLY OILS FINANCIAL MACHINERY

OTTAWA MAY GET A HUNDRED MILLIONS OF NEW YORK GOLD

May Give Exchange Facilities Against Deposit of Gold in Capitals of Various Dominions—Relief Measures Unprecedented and Have Insured Resumption of Financial Business and Trade.

(Special Cable to The Sunday World.)
LONDON, Aug. 15.—The quite unprecedented relief measures adopted by the government and the banks this week will accomplish what they were designed to insure—resumption of smooth and effective operation in the machinery of English finance and trade. The moratorium gives the absolutely necessary opportunity for deliberate readjustment. Through the issue of treasury notes for £1 and 10 shillings, bankers can meet all requirements of circulating medium at home. The public is already completely reassured, and on Thursday came a still bolder measure for breaking the deadlock of credit. The government's guarantee of the Bank of England against loss on bills which it may discount had the purpose of enabling the banks, at once and freely, to finance the country.

Bills Carried Over.
What this expedient means is that the Bank of England can now be expected to take over all approved bills from joint stock banks and discount houses. Not only so, but good bills, not met at maturity because of present abnormal conditions, may be carried at the Bank of England at two per cent. above the present official minimum rate of five per cent.

Even foreign bills may be thus re-discounted, for the government has wisely recognized the supreme importance of a properly working financial system as a weapon of defence in the great internal struggle. It is, in short, determined to insure that the minimum amount of financial dislocation in our markets shall continue. The result may be millions advanced temporarily by the bank to the market, and great ease in money is not improbable. The action also tends to free the foreign exchanges from their paralyzed condition, the internal business must necessarily continue to be hampered by the numerous continental moratoriums.

Will Give Exchange Facilities.
This is the reason for the further proposal that the Bank of England give exchange facilities against deposits in Ottawa. As regards the last-named deposit centre, The Times' New York correspondent cables that £20,000,000 gold might be involved if your market were to cover its London liabilities by sending gold to Canada, in trust for the Bank of England. This may reflect New York ideas, but the estimate is entirely depreciated in the business financial quarters here.

Any such amount would be both unnatural and unnecessary. But it is hoped that no impediment will be placed on your markets gradually sending such amounts as may be required to provide for the legitimate necessities of exchange. Lombard street firmly believes that not only would our mutual trade be facilitated thereby, but also that New York would get all the gold back again later in the year.

Present indications favor extension of moratorium here on its expiration next month and deferment of the reopening of the stock exchange. But voluntary settlements will steadily increase and will pave the way for restoration of wholly normal conditions later.

ALL U. S. HOLDING DOWN FOOD PRICES

Investigations Proceeding in Every City and State

WASHINGTON, August 15.—Reports to the department of justice to food prices is progressing in every day show that the investigation into state and almost every large city. The United States attorney at San Francisco telegraphed that the investigation already had prevented an increase in shipping rates to foreign ports on canned goods. From Kansas City came a report that there was no beet sugar on the market.

The department of justice is gathering comparisons of food prices on July 1, 1913, July 1, 1914, the prices before the first declaration of war in Europe, and the present prices in this country.

WOMAN AVIATOR SERVING FRANCE



Woman is not alone to serve France in the red cross and as cultivator of the fields, but in the military aviation corps as well. The photo is of Mlle. Marvingt, who has volunteered for service.

WILL NOT MOLEST PACIFIC GERMANS IN FRENCH CITIES

"Justice in Paris Even Toward Our Implacable Enemies," Says Judge

GERMAN SPY IS ACQUITTED

PARIS, Aug. 15.—(2.20 p.m.)—The French military authorities and the prefect of police, Celestin Hennion, are exercising generous discretion with respect to Germans and Austrians now in Paris.

Many of those who resided for a long time in the city will be allowed to remain with their families, instead of being sequestered in Western and Southern France.

The public prosecutor, A. Monnet, today requested the criminal court to acquit a German named Vogt, who had been arrested on suspicion of being a spy. The charge was not pressed.

"Justice in France must be applied," said M. Monnet, "even towards our implacable enemies."

VARSITY MEN MAY ORGANIZE COMPANY

Graduates and undergraduates of the University of Toronto have not missed the lesson conveyed by the war, of the necessity of being prepared. A number of university men have volunteered to go to the front. Those who for various reasons, have to remain behind, are planning to revive the old idea of having university companies in the various city militia regiments. Eventually, it is hoped, an officers' training corps similar to those in existence at the Universities of Oxford and Cambridge, will be formed. Graduates and undergraduates interested are holding a meeting in the round room of the main building of the university, on Tuesday evening next, to discuss the plan, with a view to immediate action. Dr. J. T. Fotheringham will preside.

U. S. EXPRESS CO'S HARD HIT BY WAR AND PARCEL POST

Likely, it is Said, to Be Forced Into Consolidation or Out of Business Under Double Blow.

(Special to The Sunday World.)
WASHINGTON, Aug. 15.—The American express companies, laboring under the competition of the parcel post, are likely, it is said, to be forced into consolidation or out of business altogether by the European war. Unless it terminates much sooner than is expected the companies stand to lose much business thru the discontinuation of their "reasonable" foreign goods, of which they have immense quantities from wholesale to retail houses.

The express companies are in no condition to stand the war drain. Figures sent to the government bureau dealing with such matters show that for last April the net income was but a little more than 11 per cent. of what it was for April of 1913—\$48,747, as against \$487,826. And as the express rates found to be "reasonable" by the Interstate Commerce Commission did not go into effect until Feb. 1, last, the loss is attributed to the increase of the parcel post service, which began operations on Jan. 1, 1913.

When Postmaster-General Burleson asked the commission to put in effect the proposed parcel post rates, the express companies granted permission without a hearing, on the assumption that the law does not contemplate that the law should consider the "reasonableness" of the rates of the express companies which are in competition with the department in the parcel post service. If they had the power to consider what would be reasonable parcel post rates they would have had to consider the necessity of the express companies in making rates for freight they always take into consideration the necessities of the weaker roads, the express companies of competing lines and everything of that kind. Recently they have forbidden railroads to make rates on imported articles which compete with domestic industries unless they establish a reasonable relation between the rates on the imported and the domestic articles.

A Fearful Drop.
During the ten months of the fiscal year ending with April, the net income of the American Express Company, which operates in Canada as well as the United States, and an aggregate net income from operations, amounting to \$487,826, was reduced during the ten months of the preceding fiscal year to \$48,747, a drop of 89 per cent. How much of the loss is due to slackness of business not connected with the war, and how much to the necessity of the Interstate Commerce Commission it is impossible to more than estimate, but even the highest estimate could not attribute half of the loss to whatever hesitancy there may have been in business. So the parcel post competition is directly responsible for probably \$200,000 reduction in the income of the express companies.

The Interstate Commission would not approve such a rate as Postmaster-General Burleson has decreed, because its figures all tend to show that passenger trains, on which express business is carried, are operated, if not at a loss, then at such a low figure of profit that, were it not for the freight business of the average railroad, it would have to discontinue more than half its passenger trains. In its recent 5 per cent. rate advance decision the commission pointed out the necessity of the railroads assembling figures so that state legislatures and state regulating bodies may be justified in allowing higher passenger fares. The railroad claim that the mail pay does not cover the proper proportion of the cost of operating the non-payment passenger service, so that the parcel post business is carried for the government at the cost of those who pay freight rates.

Two or Three Might Live.
Consolidation, it is believed, will enable two or three express companies to live. In nearly every large city there are at least three complete express organizations, and in a good many of them there are more. On a showing of finances such as the express companies could make for the first year and a quarter of the operation of the parcel post system it is considered very doubtful, it is believed, whether any court would construe such consolidation as in violation of the Sherman Anti-Trust law. The United States Express Company, recently taken over by one of its rivals, had a deficit of \$89,810 for the ten-month period from July 1, 1913, to June 30, 1914, but during the ten months from July 1, 1913, to April 30, 1914, it ran behind \$247,091.

SIR WILLIAM HOME SUNDAY EVENING

The Royal George of the Canadian Northern Steamships is expected to land at Quebec on Sunday evening. This is the boat that Sir William Mackenzie sailed on. The Royal Edward which sailed last Wednesday for England is now out of touch with the land station of wireless.

ONE OF BRITAIN'S FORMIDABLE FIELD GUNS



The "Long Tom" in action. The pictures show breech and muzzle views of the "Long Tom," one of the most serviceable field weapons in the service of the British army. Reproduced from the "Mobilization of the British Army" shown at Loew's Winter Garden Roof and Yonge Street Theatre last week, by arrangement with the Famous Players Film Service of Canada.

MONTREAL GROCER HAS EXCITING TIME

Tells of Experience in Getting Home From Trieste—Arrested as Spy

FRENCH STOPPED BOAT

Steamer Was Packed—Carrying More Than Allowed by Law

Special to The Sunday World.
MONTREAL, Aug. 15.—M. Lavut, wholesale grocer, has the distinction of being the first Montrealer who has arrived here since the European war began. M. Lavut arrived on board the S. S. Philadelphia at New York on Thursday afternoon. He was on a trip to Palestine and thence to Hamburg to join the S. S. Imperator for New York. The journey is one of twenty-two hours. On this occasion he landed at the New York harbor on Thursday afternoon, over three days. It was with a feeling of positive relief that near Passau on the German-Austrian frontier, with four German-Austrian travelers he was arrested on suspicion as a spy.

He was decently treated under arrest by the Austrians and was fed. At his release after half-a-day's captivity he was entrained thru Germany to Hamburg, reaching there on Thursday afternoon, July 29.

In much anxiety Mr. Lavut, who is a naturalized Canadian citizen, immediately went to the British consulate. "Get out of Germany as quickly as possible, or you may be here a whole year," said the British official. On the Saturday he luckily managed to board a train for Flushing, thru Holland, on which were 500 American and British passengers. The journey was slow, but uneventful, and thankful the company were to arrive at their destination on Sunday at 4 p.m.

The Cross Channel Shipping Company had suspended their sailings. No person could move there, for those who may be left, fatherless, for those who already have been left without support. No one need be a military expert to read in the streets signs of a nation at war, even those of those signs it would be improper to write. But in no paper in the United Kingdom will he learn that by land and sea British forces are engaged in the greatest war since the victory at Waterloo.

It makes the position of a correspondent somewhat difficult, but it shows that into this struggle of the giants England has entered without hysteria or vain boasting, but earnestly, calmly and undismayed.

ENGLISH PEOPLE SACRIFICE THEIR DESIRES TO NATION

Calmly Wait for Results of the War, and Silently Await Word From the Front

NEW YORK, Aug. 15.—Richard Harding Davis, The New York Tribune's war correspondent, cables the following from London:
On arriving in London what most impresses you is, in the English papers, the absence of any news concerning any movement of the English navy and army. It is a conspiracy of silence on the part of the English people of the most unselfish and patriotic nature.

No interest at this time in any relative with any ship or regiment is permitted to outweigh the wishes of all for the success of all. This secrecy as to the present plans or whereabouts of any military unit is enforced not only by the orders of the war office, but is the wish of everyone.

A father, son or brother leaves to join his ship or regiment, and after that his family neither know nor seek to know where he may be. It is a splendid compliment to the organization of the war office. Also it is a compliment to the loyalty of many millions who make no effort to break thru the wall of silence that Field Marshal Kitchener has erected between them and their army.

We know that England has declared war. In the papers we can read of the Red Cross Societies, of funds patronized by the royal family for those who may be wounded, for those who may be left fatherless, for those who already have been left without support. No one need be a military expert to read in the streets signs of a nation at war, even those of those signs it would be improper to write. But in no paper in the United Kingdom will he learn that by land and sea British forces are engaged in the greatest war since the victory at Waterloo.

MEMBERS OF POSSE SHOT BY BANDITS

Killed by Escaping Robbers, One of Whom Was Wounded

WILLIAMSON, W. Va., Aug. 15.—Edward Mounts and Sanford Hatfield, members of a posse chasing the bandits who yesterday robbed a paymaster and killed three men at Alunciliff, W. Va., were killed today in a fight with the robbers at Gilbert Creek. One of the bandits was wounded.

ENGLAND'S NAVY KEEPS SEAS OPEN TO HER COMMERCE

Bulletins From All the World Show Ships of King Are Protecting Merchant Marine of the Allies.

ENEMIES' SHIPS ARE DRIVEN TO SHELTER

ALEXANDRIA, Egypt, via London, Aug. 15.—The big new Austrian Lloyd liner Marjeben was captured today by a British warship, near here, while on the voyage from Bombay to Trieste. She was brought into port.

With the exception of the Rochambeau and the Patria of the French and Fabre lines, respectively, which sailed with approximately 1800 French reservists for Havre and Marseilles, cabins and storage of the entire fleet sailing from New York today were practically deserted. The Cedric carried less than 200 persons; the Minnetonka an even dozen; the Kronland forty; the Saxonia less than 100; the America and the Potsdam correspondingly small numbers.

Sailing of the Anchor Line Anconia, announced for today, was postponed till tomorrow morning. Inability to get the cargo aboard today, was given as the reason for the postponement. The sailing of the American liner Philadelphia for Liverpool, set for August 21, was advanced today to August 19.

LORRAINE ESCAPES.

PARIS, Aug. 15.—The French liner Lorraine had a narrow escape from capture by German cruisers during her voyage from New York to Havre, where she arrived Wednesday, according to Rene Desvieux, one of her officers. Soon after leaving port the ship was chased by the Dresden, Desvieux said, but she soon distanced this cruiser. Later the Lorraine intercepted wireless messages between the German cruisers, Strassburg and Karlsruhe, from which the officers gathered that the warships had been ordered to capture the Lorraine. The last day out the Germans nearly caught the liner which only escaped thru favor of the fog.

ATLANTIC LANE IS OPEN.

The Cedric sailed for Liverpool at 1 a. m. today, and steamers that were to follow are the Kronland, with mails for Great Britain and central Europe; Minnetonka, for London; America, for Naples; Patria, for Marseilles; Danube, for Southampton; Saxonia, for Liverpool; and Potsdam, for Rotterdam.

The agents of the French line announced yesterday that the Casanovitch, which has been delayed here several days, on account of the war scare, would sail for Havre tomorrow. She will have 250 cabin and about 1200 third-class passengers, many of whom are reservists paying their own way back to France to fight for their native land.

AMERICAN'S SHOULD WORRY.

LONDON, Aug. 15.—The departure of 4,500 men from the Casanovitch from Liverpool today was followed by that of another thousand from Glasgow. The carrying capacity of the vessels sailing for trans-Atlantic ports during the next 25 days is estimated at 60,000, or three times the number of Americans in the British Isles. While the number on the continent of Europe is not known, it is believed not to exceed 30,000, of whom a large number are returning by Dutch, Danish and Italian lines.

ADRIATIC SAILS.

LONDON, August 15.—The White Star Line steamer Adriatic, which left New York August 8, signalled by wireless telegraphy today that she expected to reach Queenstown by 11 o'clock tonight. The Cunard Line Campania sailed today from Liverpool to New York. She carried a full complement of passengers.

FRENCH STEAMER SAFE.

PROVIDENCE, R. I., Aug. 15.—After a voyage fraught with anxiety, the Fabre Line steamer Germania, flying the French flag, reached Providence today, 18 days out from Marseilles. She was delayed at St. Michael's by orders of her crew to sail, and had to change her course after leaving the Azores, to avoid two warships, presumably German.

PHILADELPHIA, Aug. 15.—Three transatlantic steamers flying the British flag sailed from here today for English ports.

NAPLES, Italy, Aug. 15.—The steamer San Giovanni sailed for New York today with 700 passengers on board. The Carpathia is expected to leave tonight or tomorrow, the San Guglielmo on Aug. 19 and the San Giorgio on Aug. 30.

NEW HALL BEGUN AT WEST FAIRBANK.

West Fairbank Ratepayers' Association members made a start with the erection of their new hall on Clemons avenue Saturday under the supervision of President George Cunliffe. The intention of the association is to have their meeting house completed before winter sets in.

An important meeting of the membership will be held on Monday at Newton's new store.