

the German colonial possession on the west coast of Africa, has sur-rendered to the British without conditions.

The unconditional surrender came after Premier Asquith in the house of commons this afternoon read to the members a message from the commander-in-chief of the forces in British West Africa. The message said that the authorities of Togoland had offered to capitulate on terms. The British commander in reply to the offer insisted that the surrender must be unconditional.

Mr. Asquith also made known that previous to the offer to capitulate, the Germans had destroyed the wireless installation. Furthermore, the British troops had occupied an important position. ATTEMPT TO BLOW UP BANK.

According to The Evening News, an attempt was made to blow up one of the chief banks of London, and a warning has been issued officially to examine thoroly "upon delivery all deep boxes deposited with them." The news says that a harmless looking deep box was presented at a London bank for deposit in the strong room. A sharp ear caught an ominous ticking, and an infernal machine was revealed in the box.

GERMANS REPULSED AGAIN.

It is officially announced that on Aug. 25 the French on their southern frontier were attacked in force by the Germans. The attack was repulsed and the enemy retired along the line. SERVIANS' GREAT SUCCESS.

One of the most surprising aspects of the present war in Europe is the success of the Servian soldiers over the military forces of Austria-Hungary. It is true that the troops of King Peter had a real baptism of fire in the Balkan war, or actually in the two Balkan wars, but practically no one had expected them to prove so superior over the armed forces of the dual monarchy. The Servian success, in a word, has proved to be one of the outstanding features of the titanic struggle now going on.

Stories have reached London thru various routes of the great victory of the small kingdom, but none was so evident as the account received tonight. It came from Nish, the present location of the Servian Government, and bore no date. It was sent by way of Salon-iki, where it was dated Monday, and was received in London late today.

WHOLE NATION ENRAPTURED.

The correspondent of The Central News declares that the whole Servian nation is enraptured over the brilliant successes achieved by King Peter's troops against Austria, and says he is able to transmit the details, as told by an eye witness, of the great battle between the Aus-trians and Servians on the Plains of Yaddar and the resultant Austrian retreat into the dual monarchy province of Bosnia. Austria, the eye witness relates, marched two armies against the

Servians. Each of these armies numbers 100,000 men, making a total force of 200,000 troops. The Servians, for strategic reasons, did not resist, and the armies of the enemy joined at Mount Tzr. The Servians concentrated at Valjevo. They were 100,000 strong, and they had the plains to the front of them and the mountains to the rear. Then when the Austrian armies had joined the Servians advanced and delivered an attack. An artillery duel resulted, and it lasted for five days. Finally the Austrians were defeated and dislodged from their positions. FIFTY THOUSAND PRISONERS.

The Austrian forces retired in two divisions, but in the hands of the Servians they left 50,000 men, as well as 60 guns. Half of the Austrian force retreated in a northerly direction to Shabatz (also known as Sabac and Sabtz), and this afforded the Servians an opportunity for a flanking movement. They were not slow in taking advantage of the situation, for before the enemy arrived on the Save River the Servian artillery was commanding the pontoon bridge and had cut off the retreat. The Austrians resisted in the most desperate manner, and made a drive towards the Servian artillery.

It was announced in Nish yesterday that Shabatz had been re-

Some of the Governor-General's Body Guard of Toronto. The officers in the centre are Capt. Straight, Lieut. Jarvis and Lieut. Smith. -Photo by The World's staff photo graphers at Valcartier.

the Austrian mobilization bore great resemblance to a farce. The STUDENTS ARRIVE desertions were countless in number, and it is estimated that fully 40 per cent. of the men called upon to serve failed to answer.

Despite this and Austrian defeats at the hands of the Servians and Russians, the aged Emperor Francis Joseph is being supplied con-stantly with fallacious triumphant bulletins. The reason for this is the Officials Showed Consideracritical health of the monarch. Officials would entertain the gravest fears for him should he be apprised of the true situation.

BRITISH SAILORS KILLED.

PEKIN, Aug. 26.-Unconfirmed reports received here say that British sailors of the torpedo flotilla aiding the Japanese fleet in the attack on the German seaport of Tsingtau, in Kiaochau, have been killed by shells fired from the forts.

summer school of Magdeburg Univer-It is said that the British destroyer Kennet was hit, three of her men being killed. The destroyer itself, however, was not badly damsity, Magdeburg, Germany, arrived in London today with a number of students from Freiberg and other German universities, which have

It is believed that it will be a week before the attack by land on Tsingtau will begin. The Japanese troops are still landing near Haiclosed on account of the war. yanghsien, and the bombardment by the Japanese battleships is reported to be still going on. but traffic was interrupted by the military operations and there were few trains. Consequently foreigners are getting out of Germany slowly.

The Japanese vessels, however, are not able to get close to the scaport, owing to active German destroyers in the vicinity.

JAPANESE ATTACK FAILED.

Special to The Toronto World. NEW YORK, Aug. 26.—An official despatch from the German legation at Pekin, to Count Von Bernstoroff, German ambassador any of the German universities will to the United States, now in New York, announces the failure of the open this fall, as virtually all the Ger-

More About the Banks and Money Stringency!

In discussing banks and money stringency let us look at the last official returns banks showing that eight of the twenty-te banks of Canada had, on that date, over \$137,000,000 on call loan outside of Canada Call loans in Canada aggregate other \$67,000,000! In regard to the call loans out Canada, mainly we believe in New York, the Canadian public would like whether these millions-one-eleventh of all our bank assets-got back to Canada when the New York Stook Exonange closed? And is that \$137,000,000 now available to meet the stringency in Canada? Or is it mardoned in Wall street? That mey is of the savings of the Canadian people, and, once more available, would go long way toward keeping our factories in employment.

We do know that the banks have always claimed that they loaned money on York because they could get it at any moment they needed it in Canadal tter of fact, in the years 1904, 1907, and now in 1914. unable to recall their loans from New York. But no is it not available, but it has been used to help along a stock gambling gam ruined more Canadians than we care to count; as we said the other day of the profits in most Canadian industries, the increased value in rea ich of the profit in trade-all these have been switched away from here Wall street. Year after year, fresh victim after fresh victim been inveigled into the game, the money sent to Wall street, the investo the money never to return. We supplied the margins and the loans! It the tragedy of Canadian business success. Success so-called! Some big banks Canada have been party to this unholy drain, because, as they said, it was a rces liquid, to be able to get money when ood way of keeping rea it! We repeat what we said the other day that this diver sion of the savings of the Canadian people into the speculation of Wall street must ease once and forever, and the way to do it is to prohibit the banks so diverting the savings of the Canadian people. Wall street and the exchanges that go with it are nothing but rat holes. The money never comes back, as the victims and our banks

P.S. In the meantime, the July returns just to hand show that about eleven llions of this money is back in Canada: whether the banks are disposed to let this small amount out to customers struggling with the present financial strain. satured by war, remains to be seen. Or are they keeping it for Wall street to reopen? So much for call loans. Now back to the general policy of the banks:

Parliament has just given enormous powers and privileges to our banks for the express purpose of accommodating the public in stringent times of war like the present. They are allowed excess in their bank note issue, equal to fifteen p cent. on their capital stock and rest; and as the rest is as much as the capital, practically means an excess of thirty per cent, on the capital stock. The provis that they should pay deposits in gold has been suspended, and they can pay deposits in their own bills; their bills have also been made legal tender. They have now the opportunity of rediscounting their securities and commercial paper as against notes; and they have been consulted and represented in all the negotia tions that have taken place. We do not know that the ordinary business man has been consulted at all, even by way of his board of trade, or by mombers of partiement who have knowledge of the financial situation and who might be able to give evavice. The bankers and their association have been at Ottawa; their special ounsel has been there; the result is their position has been greatly strengthened. What the ordinary business man, the man in the street, the working man, now wants to know is, has it been strengthened to the end that the banks shall assist the business public over the present scarcity of money caused by the war?

Are the banks to avail themselves of the important concessions to them made w. parliament, which, if they care to use, put them in large funds available for aring purposes to the public on reasonable security? Or is it all window dressing that has taken place, and is the real attitude of the banks to be one of distrust of customers? They can no longer plead that they haven't money, and they have been pleading this for some weeks now, because they can immediately greatly increase their resources if they care to. They can, however, plead, and it may come to this, that they haven't confidence in their customers, or in the great bulk of them, and that they do not care to take further risk!

But even here comes up a question that no one has yet discussed: The banks have been allowed to accumulate rest funds out of their profits. In European, countries the banks are limited in the rate of interest and therefore, profits an curtalled. In Germany, the nation shares in the profits of the state bank. Our banks have, out of profits mainly, created a rest equal to their capital. The meaning of "rest" as we take it, is, that it is a fund accumulated in fat years for times like the present; and if a bank risked and lost its entire rest in carrying along its cus-

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taken from the Austrians, and it is presumed that the enemy contested the position but was driven out.

TOOK TWENTY-FOUR GUNS.

The other half of the Austrians retired to Losnitza and Lesnitza. Col. Yovanovitch vigorously pursued them and succeeded in capturing tions." a cavalry column and the total of twenty-four guns. The Servian infantry fought their way into the two towns, and the men, drunk with wine and success, rushed to the attack with furious shouts of "Hurrah! **REBEL LEADERS** Hurrah!" ("Napred! Napred!"-the translation of which is "Hurrah!"). The Austrians were fighting like men already half beaten. Their minds, indeed, must have been filled with thoughts of previous defeats. In this condition they were not able to withstand the dashing Servian charge at the point of bayonets, and they turned and fled over the Drina River into Bosnia. The Servians had cleared their terri-Villa and Obregon Received tory of the invaders, but not content with this they pursued the Austrians right into Yama and Bjiolana.

The Servian victory over the Austrians is the more significant when the armed forces of the two countries are compared. It is estimated that Austria can put a total of 2,220,000 trained men into the field, whereas Servia can call upon only about 250,000. The dual monarchy, however, has been weakened in its campaign against the EL PASO, Texas, Aug.26.—For the first time since the beginning of the constitutionalist revolution, Generals small Balkan state by the Russian menace on the eastern frontier. To meet the Russian invasion Austria has been compelled to recall a portion of her troops from the Servian frontier and rush them into afternoon and were received with mi-Galicia.

FIGHTING CONTINUOUS NEAR MALINES.

AMSTERDAM, Aug. 26.—(Via London, 11.35 p.m.)—The Telegraf's Antwerp correspondent wires that fighting was resumed this Bliss, where General Pershing and his BRINGS AMERICAN CASH morning in the vicinity of Malines, where the Belgians have been engaged daily with German advance troops.

"The road from Malines toward Vilvoorden, six miles northeast of Brussels," the correspondent adds, "is littered with bodies of men and horses, while in the fields pasturing cattle have been killed by shrapnel. The Belgians captured one field gun.

"Everything in Brussels is going on the same as before the Ger-PRIESTS AND NUNS TO man occupation.

The correspondent says it is reported that it is the Duke of Brunswick who has occupied the royal palace at Laeken. The Duke of Refugees at Vera Cruz May Be Al-Brunswick married Princess Victoria Luise of Hohenzollern, daughter of Emperor William of Germany. Canadian Press Despatch.

ELEVEN KILLED AND WOUNDED.

VERA CRUZ, Mex., Aug. 26.—Pro-visional President Carranza's local agent has petitioned his chief to per-PEKIN, Aug. 26 .- Up to noon today the only engagement remit the return to their posts of four hundred priests and two hundred nuns ported to have occurred near Tsingtau, capital of the German protectorate of Kiaochau, was an encounter between a German torpedo boat who are now refugees within the and a British torpedo boat, on Sunday or Monday last. The British torpedo boat returned to Weihaiwei with eleven men killed and sponse to a request by Father Francis P. Joyco, chaplain of the fourth ar-tillery, U. S. A., who has been active wounded. The German casualties are not known.

LEVY ON BRABANT PROVINCE.

ANTWERP, Aug. 28 .--- The Province of Brahant has been levied on for \$90,000 by the victorious Germans, which must be paid by Sept. 1. It is said here that the German officers at Brussels are living on the fat of the land there. The supply of champagne is running short. It is said that the Germans have invaded the royal palaces.

AUSTRIA'S MOBILIZATION A FARCE.

POME, Aug. 26. - The Messaggero has received a despatch from its correspondent at Nish, Servia, saying that the total Austrian prisoners in Servia number 10,000. The Austrian casualties since the commencement of the war have been in the third southern army.

Some of the prisoners which the Servians have taken declare that into Victoria Lake,

Japanese attack on Tsingtau.

CROSSED BORDER

With Military Honors

at Fort Bliss.

Alvaro Obregon and Francisco Villa

crossed the international line here this

litary honors by General J. J Persh-

ing, commander of the American

A troop of cavalry with drawn swords, formed a guard of honor for

the two constitutionalist commanders.

as they were driven from the inter-

national bridge at quick speed to Fort

staff had prepared a reception for them. A dozen staff officers accom-

Obregon and Villa will leave early

Thursday morning for Nogales, So-nora, to settle international disputes

in that state. They will journey thru

LEAVE U.S. PROTECTION

lowed to Resume Work.

The action of the agent was in re-

in assisting the fugitive dergymen. Some of the priests are virtually des-

titute, Beyeral of them have secured

trate Weis Thursday morning charged with doing damage to public property. It is alleged these two men tore from the monument the bust of Wilhelm I.

work, a few as waiters in cafes.

Canadian Press Despatch.

panied the generals.

American territory.

American line here.

"The attack of the Japanese," says the despatch, "on Kiaochau "The attack of the Japanese, says the despatch, on removing the few foreign students whose countries has failed, and in consequence they must start regular siege opera-

SOCIALIST CHIEFS

lish Patriotic Articles-Ex-

Ambassador Volunteers.

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LOYALTY OF CANADA

Canadian Press Despatch.

patriotic nature.

Tsingtau is the fortified part of the territory of Kiaochau.

fessors, are subject to military duty. Conditions are too unsettled for the

FROM GERMAN

tion to American Scholars,

Canadian Press Despatch.

Says St. Louis Man. -

LONDON, Aug. 26 .- (9.26 p.m.) -T.

. Elliot of St. Louis, a student in the

"The German officials," said Mr. El-

liot, "showed the students much con-sideration and helped us in every way,

"The Russian men students have been detained and the Russian women

MAY FORM MINISTRY

OF NATIONAL DEFENCE PARIS, Aug. 26., 5.05 p.m.-Premier

OFFER SERVICES foreign affairs, and M. Millerand, former minister of war, and perhaps German Socialist Papers Pub-

Whether this is correct or not, the

already has the active co-operation of he statesmer named who are working in complete inderstanding with it.

Viviani and his colleagues in the ca-binet are reported in various quarters to be considering a proposal to invite Aristide Briand, the former premier; M. Delcasse the former minister of

others, to join a ministry of national

fact remains that the present cabine

tomers thru a time of unparalleled stringency, it would not, to our mind, be doing any damage to its shareholders, but would be living up to the franchise, which parliament gave it, and by which it was made into a banking institution and author ized to collect the savings of the people in order "to conserve the commercial and financial interests of the country," to use the title of the act recently passed in parliament.

In these war times, the whole future of Canada, of the people of Canada; the iding together of the empire, turns on the success of the British arms; and if British arms go down, Canada must go down, and we too must go down, and the banks as well. We have all got to hang together and it is therefore both a high and an inevitable duty the banks owe to the public to help over this stringency.

We know all about what can be said, that if what we urge is sound, then all man has to do is to go to a bank and demand help. We are not suggesting anything of the kind; but simply showing that the banks owe it to the public and to the country, that, instead of closing up tight against customers, they must heip them, and by consequence, help the country generally.

Is it good policy on the part of the banks to practically send out an order to all local managers that they must refuse applications for help; and this has been done in many, many cases? The regular managers have been left without discretion, and it is almost impossible for the customers to get access to the general manager We do not know that there is a country in the world where general managers of banks have so walled themselves in against the public as in Canada. It is harder

to see a general manager in Canada than the chancellor of the exchequer in England. A customer is surely entitled to talk with a man who has some discretion is

. There are two kinds of banks in Canada at this crisis: One that is willing to take advantage of the recent legislation and help customers; another that keeps itself strong and presses for reductions in accounts. It is because of the attitude of the second kind that the first kind are restrained from helping: The result of any action on the part of a bank of the first kind might be a loss of deposits that would go to the bank of the strong policy! It therefore comes down to this, that the banks ought to work on the same lines and together and help one another and all business along. The time of stress is now and when everything has been dislocated; later on each individual, firm or company will be able to readjust itself and get a fresh understanding with its bank.

Are the banks going to use the powers and resources placed at their disposal by parliament to help over the stringency and to keep employment going?

More than ever are we convinced that our minister of finance made a supreme mistake when he turned the relief measures, that he asked of parliament, over to the general managers of the Canadian banks, instead of keeping the thing in his own hands, or in the hands of a government bank--and he had the chance last week of practically creating one. When a minister of finance offers the use of the credit of the country, to meet a financial crisis, he should keep control of it! The chancellor of the exchequer is the master of finance in England today and he tells the banks what to do, he does not leave it to them! It was a mistake to pass a national function over to a general manager of a bank who has no public respon sbillty-even if of the gallantry and experience of Colonel Wilkle, president of the Canadian Bankers' Association!

.

And a second and vital mistake is trying to use national notes for a monetary crisis without first ordering the retirement of all bank notes. This could have been done by appropriate and remedial legislation, or it may even be done by the substitution of Dominion notes for bank ones on a basis fair to the banks. But as things are, the banks are bound to resent as they have always resented, the presence of government money in competition with their own, For federal notes to play a real part they must be without a rival. The Americans found that out long 8.50

In the meantime, in view of the fact that parliament has made bank note legal tender the banks must rise to the situation and make them legal tender in their clearing house operations, one with the other, So far they have failed to come to terms among themselves in this respect. The best way for them, and for the public, is to arrange a reasonable basis for the retirement of all bank notes and substitution therefor of Dominion notes, lent for the occasion at one per cent. plus the cost of printing,

But at this moment the relief measures may prove ineffective, if left in the hands of general managers, and if Dominion notes are up against bank notes. The two kinds of currency can't go together. Perhaps parliament may have to be called to get the powers of relief in the hands of the government and national notes made to take the place of bank notes. Parliament should have been kept in session-adsurned, not proregued, And this came over the cable last night!

LONDON, August 16 .- English banks, which have failed absolutely

LONDON, August 35.—English banks, which have failed absolutely by assist the trade of the country in the present crisis, were rapped sharply by the chancellor of the exchequer in the house of commons today, "At all costs we must keep the machine of commerce and industry so ing," he declared, "and it is for this purpose that the government came to the help of the banks. Many banks have behaved well, but some have not it may be necessary to name the latter, but I hope before this has to be done that they will adopt a more liberal policy." Lkyd George has kept the actuation in his own hand!



policy which may have the effect of plunging Canada into militarism. Yet, says the writer, one felt sure the old fighting spirit would flame up in them the moment England and the empire were in serious donver the moment England and the enlipted service, and altho he was offered is service, and altho he was offered is service, he preferred serving with the Canadian ed, "The English," he said, "are an contingent, and is now with his regiment at Valcartier camp.

To accommudate automobilists, we are serving Table d'Hote dinner daily, from 12.30 to 8 o'clock, Highest standard of cuisine and service,

LONDON, Aug. 26.—An interesting reference to the Canadian contingent appears in tonight's Pall Mall Ga-zette from E. B. Osborne, who speaks of the late Goldwin Smith's followers, who argued high and low against any relies which may have the effect of noined company segreant-major in

HAMILTON HOTELS

Canadian Press Despaisit,

gevernment te appropriate \$1000 of

the monument the bust of Wilhelm 1, sover and this year to Great of cuisine and service. early Sunday morning and threw it the Indians' fund this year to Great HOTEL ROYAL, Hamilton but Victoria Lake.

BERLINERS ARRESTED FOR DAMAGING KAISER'S BUST BERLIN, Ont. Aug. \$6.-Two young men, named Bolton and Smith, were arrested this afternoon by Acting Po-lice Chief Grasser and P. C. Farrell, and they will appear before Magis-SARNIA INDIANS CONTRIBUTE.