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MONTREAL, THURSDAY, JANUARY 7, 1914.

The Dominion Currency

produced by a printing press and a Government evess of what the law has authorized? stamp. Our bankers and financial men, our princi- It is only a few weeks since the Government asked pal press writers and our public men with rare ex- and received the authority to increase the ceptions, have held sound principles respecting the note issue on the twenty-five per cent. gold conditions under which a paper currency may be is basis from thirty to fitty million dollars. The offnow, and that anything that looks like a departure ing bened without lawful authority. But it will be production of perfect persons, from them is capable of explanation. It is with this well to assume that explanations can be given, and British Columbia Federationist. Teeling that we call attention to recent Government also an assurance that the limit of fifty million dol returns in the Canada Gazette, which may have a lars set by Parliament is not being exceeded.

Canada's paper currency system has had the confiamount of notes was issued on the basis of a mode? amount of noise was issued, at gold reserve; the remainder of the issue rested, War orders in Canada now amount to \$60,000,000. sury. To materially weaken this system would be a the economic waste resulting from the conflict.

The law of Canada has for a long time allowed the The rushing defeat of the Turks in the Caucas the Finance Minister to hold dollar for dollar in gold. had been done, there would have been seven and a cords, valued at \$14,313,000. half million dollars of additional money available for all the purposes of the Government. But, at the same time, the Finance Minister of the day created a gold reserve of ten per cent, on the Government Sav. per cent, then created took four-fifths of the seven and a half million deltars arising from the increased which she intends to keep for herself. power of circulation. Thus the increase of the circu-

for Canada's part in the war. twenty millions in the note circulation called for the lars of new money for their various purposes.

The recent Government returns in the Canada Gazette respecting the circulation show a change in the form of the statement. The former returns con tained items which read as follows:—

Specie and bullion held by Receiver General

and the several Assistant Receivers Gen-

Specie to be held under the Revised Statutes of 1906, ch. 27, intituled, etc.

Specie to be held in excess of \$30,000,000 In this form the reader could see at once what the authorized issue was, and compare it with the actual . These items have now been dropped and instead we have the following:-

Gold held November 30th, 1914, by the Minis-

Gold held for redemption of Dominion notes.. \$

Of this sum \$50,000,000.00 requires The remainder 110.964.599.00 requires

for dollar

The total of \$160,964,599.29 requires But the Government return reads:

"Gold held for redemption of Dominion

Thus, on the face of the Government return it to pay.—Springfield Republican.

ber an over-issue of Dominion notes of more than thirty-four million dollars. over-issue has some relation to another law then to the London money market form the recognized passed at the special session. That other law au-barometer that indicates monetary conditions through-

thorized the Government to issue notes to make loans out the civilized world. Within two or three year to banks, against securities to be approved by the after each of these two wars ended the Bank of Eng-Minister of Finance and the Treasury Board. Subse-land's rate was at or below normal. In both cases quent to the adoption of this law, announcement was financiers and bankers had predicted the exact made that the Minister had named several eminent posite. Are they wiser now?-New York Combankers as a committee to advise as to the class of mercial.

securities so to be accepted. If it be said that the arose out of transactions under that head, two com ments may properly be made. The first is, that where the amounts may become so very large it seems de sirable that the two classes of transactions-the issue of notes under the Dominion Notes Act and advances to the banks under the special Act—be treated separately. The second criticism is, that the transactions between the Government and banks, as shown in the bank returns of the same date, do not account for the apparent over-issue of thirty-four million dollars of Dominion notes. The general impression in panking circles is that the banks have availed them selves to but a small extent of the law authorizing loans by the Covernment against securities to be de The knowledge that such advances can be had if needed undoubtedly strengthens the banks' position, but the banks which have used the privilege from the Government quite moderate. The bank reurns of November 30th, published in the Canada Cazette along with the circulation statem n the statement of liabilities that the total amount the balances due to the Dominion Government by all the banks, covering the transactions between the Government and the banks in all parts of the Dominion, was \$17,892,000. This, while somewhat larger than usual, cannot be supposed to cover, besides the ordinary collections of Dominion revenue, the very e excess in the circulation account. What, then, is the explanation of the apparent issue thirty-four million dollars of Dominion notes in ex-

are observing these principles down has not been observed, and that notes are be-

issue of a specified amount of Dominion notes upon Mountains is the beginning of the end for that unthe security of a gold reserve of twenty-live per cent. happy country. Turkey has absolutely no justification notes so issued. For all notes in for taking part in the conflict. Her participation will excess of that specified amount the law has required give the Allies an excuse to carve up her territory.

In 1913, Canada's forty-eight pulp mills concent, basis stood at twenty million dellars. A sumed 1.109,000 cords of pulpwood, valued at few years ago, in the time of the late Government, the mill at \$7,243,000. In the same year 1,035,000 the amount was raised to thirty million dollars. The cords of unmanufactured pulpwood valued at \$7,970, additional ten millions of notes called for a deposit of 600, were exported to the United States, making the aly two at 4 a half millions of gold. If nothing more total production of pulpwood for the year 2,144,000

ousting the Germans and Turks from their sphere of dollars of such deposits, with no gold reserve whatever prior to that time. The gold reserve of ten

hation at that time, from twenty million dollars to
Wille the great majority of the Russian people,
thirty millions, on the basis of twenty-five per cent. of or 118,000,000, belong to the Orthodox Greek Church. Roosevelt, and that evening he had pounded the din gold reserve, was utilized chiefly to strengthen the there are 18,000,000 Mohammedans, 15,000,000 Roman ner-table and emitted dire adjectives about the Colgold reserve, was utilized chiefly to strengthen the there are 15,000,000 Monamine and 5,000,000 Roman ner-table and emitted are adjectives about the Confinancial position of the country, and not to give the Catholics, and 6,500,000 Jews in the country. The one: that he was a menace to the country; that me Government more money to spend. This was the Russian Mohammedans are not helping the Sultan man was so much to be feared; that sooner or late state of the law respecting the issue of Dominion of Turkey any more than are the Mohammedans in notes prior to the meeting of the special session of India or Egypt aiding the head of their church

Parliament held a few weeks ago to make provision for Canada's part in the war.

Among the measures adopted at that special session was one to add twenty million dollars to the Over two-thirds of this amount was derived from ninion notes which the Government public funds, and the remainder through private were authorized to issue against a reserve of twenty—hannels. An examination of the amount contribute of the limit of thirty millions buted for the past five years shows that the public afraid Theodore Roosevelt may be under my bed." that had been established by the previous Governare beginning to realize the necessity of grappling ment was raised to fifty millions. This increase of with this dread disease. Five years ago public funds placing of only five million dollars in the gold research, while last year they married. After the ceremony the bridger placing of only five million dollars in the gold research, and gave the Government fifteen million dollars in the gold research, and gave the Government fifteen million dollars in the gold research in other words, there is a the elergyman aside and said in a whisper. shifting of the burden from the private philanthropy o the public purse, where it rightly belongs.

> Ex-President Roosevelt, writing in the Indepen dent, criticises his own country for having tamely stood by and allowed Belgium's neutrality to be vio In characteristic Roosevelt language, he says

Federal administration has shown short edness, timid inefficiency and selfish indifference to the cause of permanent and righteous neace in refusing to fulfil its solemn obligation by taking whatever action was necessary in order to clear our skirts from the guilt of tame ac quiescence in a wrong which he had solemnly undertaken to oppose.

Newspaper editors too often receive more cuffs not safe to teach proverbs to young children. There is nothing here to show the authorized issue, than compliments, but that is not the fate of Mr. W. and consequently there is not on the face of the re-M. O'Beirne, of the Stratford Beacon, an excellent "that the early bird catches the worm." turn any means of comparison between the authoriz-journal which is evidently appreciated by his fellow ed and actual issue of notes. It will be well, we sup-chizens. The Beacon celebrated the other day its pose, to assume that this change was made for some diamond jubilee, the sixtieth anniversary of the issue good purpose, but the reason for it is not apparent, of the first number. To Mr. O'Beirne's great sur The change certainly seems to confuse rather than to prise he was waited upon by a committee of the citicatches the worm." zens of all parties and classes, headed by the Mayor. Let us now apply the law, as we have stated it, to They first had their little joke with the editor by dethe position as disclosed in the Government returns; corating him with an iron cross. While he was wondering what it meant, the Mayor supplemented it by the 30th of November, 1914, was \$160,964,599.29 banding him a bag containing a very substantial sum back with the worm : in gold coin. Mr. O'Beirne, who has nearly a quarter of a century of Beacon service to his per-25% gold \$12,500,000.00 credit, is President of the Canadian Press As sociation, and one of the most popular members of the Fourth Estate. A host of friends will wish to congratulate him on the gift, and on the evidence of in gold.. 110,964,599.29 the goodwill and esteem of his fellow citizens.

ONE ITEM IN THE BULL

in gold. \$123,464,599.29 In 1871 Germany exacted from France a war indemnity of \$1,000,000,000. Already the damage done ent lawyer of Brussels, Henri Masson com Showing an apparent over-issue of .. \$34,180,382.53 (the Alles, if they should win, will expect Germany

It is possible that it may be said that this apparent The Bank of England's discount rate and the condi-

This is still a country of great opportunity, in some respects all the greater because of the lamentable of labor, and what does it do?

When the bureau was created no one knew what it was going to do. Miss Julia Lathrop, its head, had ties of establishing homes in our land, and to-day we

sources for growth are a guarantee that there is a shows that the bureau has found itself. Even con-

Replensment is some an example of what in most lines of business. As an example of what must take place it is certain that the railreads will must take place it is certain that the railreads will the bureau, and Johnstown, Pai, was the first comtained for study. Various publications much attention be output of the farms .-- New York Sun.

THE MOTIVE OF INDUSTRY.

Unfit human beings are the result of unfit social of unfit industrial conditions. sued. This being the case, it will be well to assume cial figures strongly suggest that the limit then laid things can be changed, the motive of industry will

PRUSSIAN BOYS FOR CANNON FOOD.

You are urgently requested to make the minors . France is slowly but surely conquering Alsace. At under your care enter the special junior organiza- under singularly capable and high minded direction, Canada's paper currency system has and the contract of the present time she has occupied and is administer than the present time she has occupied and is administer. The present time she has occupied and is administer to the present time she has occupied and is administer. The present time she has If you fail to do so within a period of one month, with- reau might be studied as a model by not a few older out giving sufficient reas bar for dollar, on solid gold in the Deminion Trea. These orders are in a large measure making good will be fined £15.-Military Order, Exposed by Vor- and elsewhere.-Chicago Tribune.

********* "A LITTLE NONSENSE NOW AND THEN"

ount of his admonishing whenever occasion called for it, and sometimes when it did not,

evident to the lawyer one day when a conversation between his and another office boy on the same floo was overheard by him.

"Watcher wages?" asked the other boy get one thousand dollars a year," said the law

"Honest, I do," said Tommy. "Four dollars a week in cash, and the rest in legal advice."

Her father was a vigorous opponent of Theodore onel: that he was a menace to the country; that no he would bring us all to disaster, etc. When bedtime came the little girl cried when tol-

that she must go to bed "I am afraid, mamma," she said. "Afraid, dear" asked the mother in surpris "Why, you have never been afraid to go to bed. Why

are you afraid now?"

constituted but 53 per cent., while last year they married. After the ceremony the bridegroom drev

if you'll take me down into the cellar I'll show you French and British consent. how to fix your gas-meter so that it will not re-

Inspector: - "Now, boys, can any of you tell me the names of any Englishmen who have died whilst at that, she has nothing to barter equal to what Rusbravely doing their duty?"

history of this period than that it should bravely doing their duty?"

The philosophy which played so large a part of the con-First Boy: - "General Gordon Sir

spector (looking round the room): - "Surely he was not the only one? Second Boy:—"My father, sir!"
Inspector:—"Oh, indeed! What was he?"

Second Boy (proudly):-"A referee at football

"Now, boys, always remember," said he one day,

"What's the matter Tommy?" asked the master. "Please, sir, you said it was the early bird "that

"Yes. "Well father thrashed me." "What for, my boy?"

"'Cos, sir, I let our canary out, and it's never come

ALL THROUGH THE NIGHT

When looking into two blue eyes Which gaze straight back at you When watching red lips curve and pout, What else could mere man do? Her golden hair lay on my breast, My arm embraced her wa Her little hand within my grasp In confidence was placed

And I, fresh from the teacher's art In tango and maxixe, Trod all the very latest steps With skill the tyro seeks. lame ducked first with whirl and dip. Then when I saw a tear

my darling's cheek, I changed And waltzed the little dear. The clock struck "one," the clock struck "two," My strength was almost spent. Still through the mazes of the dance Unflinchingly I went:

Until, at last, into her face I took a stealthy peep And found, oh, joy, my little babe
At last had gone to sleep.

-H. S. H., in N. Y. Sun.

have one hundred million of the most energetic and few vague lines of the statute, which charged the ambitious of peoples breathing the air of freedom and bureau with the work of "investigating and reporting always fired with hope of the future."

upon all matters pertaining to the welfare of children upon all matters pertaining to the welfare of children Never has our country suffered more than a tem- and child life," It was necessary to experiment, t porary economic check or setback. The record of our strike out and blaze trails, to find or create work, past and the knowledge of our vast unexploited re-

future of unprecedented expansion to prepare for. We gress recognizes this and is willing to give the bureau can be sure that there will be men with the vision to a reasonable appropriation. The women's clubs and see it, to point out the prospect of profit and start other organizations of the country have recognized meantime the way has been cleared for Every page in the very modest report indicates effibusiness betterment. Supplies of goods and materials in shops and stores and mills, like the supplies securities in brokers' offices, have been reduced workers and thinkers, and the politicians who are Ilmost to a bare nothing.

Replenishment is bound to be the order of the day position—and we hear there are such—will have

is far safer to count on a good crop year than the portrary. The American farmer has shown what he been started on child labor, child efficiency, child laan do in enlarging his production, and never has so bor legislation, and administration. One thing has directed as now to the increase led to another, and the bureau sees the need of ir quiries into mothers' pension laws, feeble-mindedness juvenile court systems, child recreation, and so on.

The bureau needs a good library and information service and is working to establish these. It is assisting in preparing child welfare exhibits and intends to employ an exhibit expert. It is enlisting the aid of volunteers in every part of the country and issuing stars to his intellectual heaven; but there is things can be changed, the motive of industry will also have to change. Its object now, is not the benefit of plain lay men and women. Co-operation look backward. With us now are new worlds of production of perfect persons, but perfect profits,-- with other departments and bureaus has been sought out such joint action in a spirit of reciprocity and de- der the home less desolate, alleviate her ang votion to a common caus

on to the authorities, you and more expensive establishments in the capital The intellectual stars give way to those of the he

THE PRODUCT OF POVERTY.

British Columbia Federati All investigation shows that the lower the social good which we may exert. Work with us rade, the higher the percentage of physically unfit busy in benefit, and the conferring of benefits after and mentally unfit. Slums, dirt, squalor and ignor-unce, are the breeding grounds. There are congre-as well as those who receive. gated, in promiscuous poverty, the million bodies of of lecturing his clerks, the office boy coming in for an unfitness at the other end of the social scale. The emaciated body of the child worker balances the spoilt and pamper, d little tyrant with nurses and toys to surfeit

A BUSY TIME.

Our notion of being kept busy is a torpedo-boat lestroyer trying to dodge submarines and aeroplane

********* The Day's Best Editorial

DISINGENUOUS PEACE PROPOSALS.

Every disinterested American desires early peac but a suspension of hostillties in Europe now on the trians out of Belgrade. lines proposed in some quarters would only tend to broaden and aggravate the ultimate conflict. 'A proposal to arrive at peace by a shameless betrayal of the Turk for five hundred years, off and on; and her allies on the part of Russia is typical of the diplomacy which inspired it and the newspapers which are Southern Lumberman. exploiting it here.

That any such proposals have been entertained directly or indirectly, at Petrograd no well-informed political observer could believe. Germany would be war is the outcome of a national philosophy trying to buy Russia over with something which is not in her gift. In fact, when Germany made one dozen university professors—and I think that it her greatest diplomatic mistakes in dragging the is something, at least, in that view, however much Turks into the present conflict, she automatically may have been exaggerated-what service may "I am sorry I have no money to pay your fee, but guaranteed Russian access to the Mediterranean, with equivalent number of writers and profes

Such access obviously is not dependent upon the by exposing the fallacies of the false philosof good will of Germany now, but follows as a necessary giving to the active minds of their coucorrollary to the impotence of the Turks. Germany dations of the true philosophy? Could an Am might be willing to sell out her own ally.

But even ask for a better place for his country in the

There is something peculiarly base about the di- mainly from the universities of Germany pmacy which offers such suggestions, with the idea philosophy which played the largest part in of deceiving the American people into believing the sincerity of peaceful protestations dictated by fear.

Observers of a healthy sport, harmless enough when honestly conducted will have noticed that when a certain class of prize-fighter begins to realize that he is licked he starts to "fight foul.

bardment of undefended pleasure resorts, the massacre before the war is over, as to the true source of women and children by dropped bombs, the threat strength. Command of the sea now, as alway Next morning a small boy toed the line, with a tearwith harmless and even neutral lives, and freighted the sea is all that separates victory from diswith neutral property, the use of unprincipled press long as the British navy commands the sea, the agencies in the circulation of disingenuous peace pro-posals,—all these may be called fighting foul.

This is so because the active methods here men. financial, economic or other war problems tioned, together with others of the kind, as, for in-stance, starvation and ransom, are without military it would be well were it burnt into the mind of ever necessity or value. They do not secure any per-manent benefit for the perpetrator himself, while they nflict cruel wrong upon innocent people, and perpetuate animosities through ages to come. They are n a par with the latest batch of peace proposals. moral questions involved.-Wall Street Journal.

Imperial Bank

OF CANADA

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SAVINGS BANK DEPARTMENT

THIS WAY FOR HAPPINESS (By Henry C. Lippincott, in Life Insurance

If any cultured person be asked when he $was\ m_0$ happy, he will confess it to have been in his yo citude, compassion, sympathy and helpfulnes ticipate the widow's tears, share them with he imbue her with the courage to face stern nece Miss Lathrop's report is a study in the evolution. The prattle of the orphans reaches through may we not therein find blessedness if not which there are greater light and warmth hildren of our labors to better the condition fellows. He has a meagre conception of our who fails to perceive the tremendous influ

THE LOSS OF BELGRADE

A sad Christmas was that of the aged Empe-Austria-Hungary. The assassination of his kin tle while after the Emperor had conferred a dec tion upon Field Marshal Potiorek, on receiving a le incing the fall of Belgrade

The Austrians were able to hold Belgrade twelve days-and they had been many weeks in to ing it. So deeply did the Austrian and Hungar people feel the loss of Belgrade that in Vien Budapest and Prague there were street tions calling for the court-martialing of field Ma shal Potiorek.

To the disinterested outsider, the seems marvelous. Her total army at the beginning ing of the Balkan war in 1912 was 340,000 men er the Balkan wars and after four months of the pre ent struggle, Servia was still able to drive the Aus

How there can be anybody left in any of the Balcan States is a mystery, for they have been figbetween times they have hammered each other

AMERICA AND THE WAR

voking the world war of the twentieth

THE WAR'S GREAT LESSON

Hitting below the belt is the equivalent to the bom- during the last three months, and will learn subject of the King throughout the world.

APPEALS TO REASON.

Neither Americans nor British are ruled by They display a total incapacity to comprehend the tary caste. They have never knelt at the shrine force. Their appeal is to reason-Buffalo Comme 胡宝妮完成我们的,我们就是我们的,我们就会看到这个人,我们就是一个人,我们就是这个人,我们就是我们的,我们就是我们的,我们就是我们的,我们就会会会会会会。""我们

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NEW YORK STOCKS

DULL AND STE Commission Houses say Little In ment for Trading on Either

N Y C NOTABLY FIRM

Consolidated Gas Advanced Sharply to 116/2holders Generally Exercise Privilego of S

New York, January 7 .- The Stock Market v and steady.

Commission houses thought that they saw th pect of business later on but admitted that at there was little inducement for trading on eith Consolidated Gas advanced sharply to 1164 pared with 115 at Wednesday's close, and ne vertibles when issued moved up in response ports that stockholders had generally exercised lege of subscribing for new bonds making fli

New York Central showed noteable firmne rose to 87%, compared with 861/2, notwiths weakness in New Haven, which lost 11/2 at 527/8

RANGE OF ACTIVE STOCKS. New York, January 7 .- Range active stocks High. Low.

Bethlehem Steel . 52% 50% American Can. . . . 28% 27 Reading 146 1/8 145 1/2 146 50 14 U. S. Steel Sales- Stocks 89.325; Wednesday 108,146;

Bonds-To-day \$1,448,500; Wednesday \$1, \$1,549,000

PRINCE EDWARD ISLAND EXPORTS Charlottetown, P.E.I., January 7 .- Dr. Mays. can consul here, has just completed his annu-port of exports from the Island to the United During 1914 the States bought \$492,000 wo products, including canned lobsters, valued at 000 eggs \$33,000 fresh cream \$12,000 cured bee wool \$15,000, hides \$27.000, fish \$50,000. Despite the war the States has bought \$16,00

m the Island in 1914 than in 1913. The above figures do not show all the export the Island because much is consigned to jobb Halifax St. John and other points and re-ship

In addition to the above large quantities k have been sold in the States. Total exports of the Island to all countries, a g to the Dominion government returns, am

been ill for the past few days in Ottawa, h tends leaving, on Saturday for the west.

SENATOR CURRY ABROAD. Senator Nathaniel Curry is in London, Eng., he will establish a branch of the Canadian Ca

GENERAL HUGHES GOING WEST.

Foundry Company. GERMAN WILL DECAMP London, Ont., January 7 .- General Manager bitz, of the Utilities Commission, London, who charged with having assisted a German reserv

leave the country, has announced that he will t

osition with an engineering firm in New York. NEW YORK COTTON EXPORTS. New York, January 7 .- Cotton exports totalle day 74,528 bales, an increase of 19,200 bales, com

SEATS ON PHILADELPHIA EXCHANGE Philadelphia, January 7.—Two bids cf \$4.000 been made for Philadelphia Stock Exchange seat COPPER QUOTED EASY.

New York, January 7.—Metal Exchange quote casy, 5 ton and 25 ton lots \$32.50 to\$ 33.50. Lead, \$3.75 to \$3.80 ; Spelter, \$5.80 to \$5.90. MACARONI WHEAT FOR ITALY.

Chicago, January 7.—A car of Macaroni wheat ported sold to Italy at 199½, or about highert ver known.

KAMINISTIQUIA POWER CO. egular quarterly dividend of 11/2 per cent., pa-February 1st to shareholders of record January

LIVERPOOL CORN CLOSED LOWER. Liverpool, January 7 .- Corn closed off 1/4 t from Wednesday. Jan. 6s. 11d.; Feb. 6s. 111/2 d Wheat not quoted.

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