LINE

NCE

ments Sur-When Czar's Routed Fifagyar Divi-Podgory ---Guns and Taken-Paris Koenigsberg nd Germans

80, 7.85 p.m.—A desver from St. Petersnan railways in East relaid on the Rust there is thru com-St. Petersburg and the correspondent

about 800 Germans t to Moscow. ed batteries of field ought to Vilna, Kiev le others, especially en turned over to nt for use against

Koenigsberg, as it is d Russia, who finds

ized more men than

of the foregoing desdoubted whether actually fallen. The e announced official-Koenigsberg had been sian troops and that at continued.

Copyrighted Cable to ronto World. ust 30.—The German been quick enough in West Prussia and the Vistula River, promised in their be-id they succeed in march directly to

ssians have attacked from Allenstein in Graudens is on the rn, a fortified town; to the south also on

the numerous siege sive along the entire ontier

troops resisting the icia have concentrated the right bank of the will take part in the st of Lemberg, where ve taken 300 prisoners.

er of caissons to the

the czar's troops took while north of Tomaungarian division was regiments surrender-

out the Austrian fron-direction of Lublin, in about 100 miles to the mberg. In the vicinity y has concentrated its

St. Petersburg have r in the Russian capincement that the Gerre preparing to transia. The Russian forces be engaged in an en within the next few

LAT NOSERS.

Despatch. ig. 30,11.40 a.m.-Des-

continues along the tier, says an official d at St. Petersburg and e by the correspondent egram Co.

ussia," continues the fice, "the garrisons and stula), are taking part mber of siege guns. We prisoners in the operemberg (capital of Ga-

irection of Lablin (in the fighting is fierce." Nicholas, commander-Russian army, declares f their disloyal conduc o claim to be treated ity, and therefore will red as criminals under

says: rther back. Their loss-ularly heavy at Muhlen. west of Allenstein, and destion of a few days

reigns in Danzig, the which is fleeing to Berof the general battle ght is expected to inthe whole campaign a. The scant reports

Princess Patricia Infantry Ordered to Debark at Quebec

The Banks and the Money Stringency

nation of people, we are to keep business and employment going. It is of equal importance in England; and, tho not at war, the United States are equally interested because they are losing trade because of it.

Special legislation in this respect has been passed in England and Canada. Both

have put the credit of the country behind the banks in order that the night help the public. In England, Lloyd George, the political minister at the treasury, has kept the relief proposals in his own hands; our minister more or less left it to the banks to avail themselves of the relief for the It site tight, while the war lasts. Good policy for the bank, but hard on the public phase parliament gave the banks their franchise to do business and to exercise ers of issuing money without cost and lending it to the people at ourrent rates.

In England, Lloyd George is not satisfied with the conduct of the banks since

"At all costs we must keep the machine of commerce and industry going, 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."

Complaints against our banks have also been made. They are not taking ad-

age of the means placed at their disposal. Money is still impossible to get. ster of finance is authorized to lend Dominion notes to banks for custom at it must be thru the banks. The banks are not asking for the accommodation not want to increase the liability of customers to them. If they persist in But we entirely disagree with the attitude of the banks; they were given their of doing business and of issuing notes in order that they should serve the public at all times not only in times of peace. They were also allowed to build up rests, supposedly for times of stress, to issue excess bank notes when the crops their bank notes with depositors' money, as in a recent instance. Parliament has ance August began declared that our banks may repay depositors in their own notes; instead of gold or its equivalent. But there is no compuls and to make use of the other concessions of the government, authorized "to conthe interests of finance and commerce." Lloyd George proposes "to name ping to do? Our banks have not yet even been able to accept the notes of one er, as against balances in the clearing house. They want gold. That is, a unk does not have to take what a depositor has to take—bank notes!

ething else to say about our banks. They do not want the nt to put out more national notes. For years they have been trying to ent out of banking. They resented postoffice savings banks, postal ey orders, and they have buildozed every government that ever thought of iney order system of their own, and they encouraged express money orders, as

the credit of the nation and more or less in competition with The two-dollar and one-dollar Dominion notes were only allowed get into circulation because the banks are not permitted to issue them, and the ble want them. The banks would put out Dominion silver instead if they could nks put them in cold storage—unless they really must use them after all their we are exhausted. And the banks evidently resent the proposal to put out more on notes to help "the commercial and financial interests of the country" in

When the governor-in-council authorized an increase of the issue of nationa from thirty to fifty millions and parliament confirmed it a week ago, we a mt to take fifteen millions out of the gold reserve, and use this fifteen millions t by the costs of the war and to help make up the falling off in the revenues of the try! We are crippling the gold reserve against national notes! Or to put it as much more pointed way, that fifteen millions should have been left there against a fresh issue of, say, one hundred and fifty millions (10 per cent. reserve) for rgency purposes of the country and for war.

We recall a series of articles of some months ago in a prominent newspathat was constantly preaching some kind of legerdemain with the gold reserve of the Dominion notes, and what has been done looks to us like the realization of those articles. Where did the articles come from?

But why should Canada be ashamed of a national note issue, and why is it ered a sign of lunacy to advocate it? They have these notes in the United Blates. They saved the Union as much as the Northern soldiers, and they certainly the country after the war. And from a depreciated and almost worthless paper money, war money, they came to be the life-blood of the trade of our neighbors. And now they have \$500,000,000 of this government money in the hands of stary, of the Treasury McAdoo to move the crops and to help out the cotton ers in this emergency! An unlimited amount of this same government money, that our banks are so fearful of, is to be deposited by the United States in he reserve banks for rediscounting the commercial paper of the country-to use words of our act-"for conserving the commercial and financial interests of he country." Lloyd George saw their merit in war times and in twenty-four hours he had printed and distributed two million one-pound notes straight government money, issued by the commissioners of the English treasury. And he plans to keep m printing them. They are backed by Great Britain. And the same kind of gov ent money prevails all over the rest of Europe. Government money is the best mey in the world. Ours is in that class. The credit of Canada is behind it. It see us thru this war. And if you want an idea of what this war is to be, we all to you what The London Express said the other day, "It will be the longest rest and bloediest in our history."

The only way to finance this long and bloody war, as far as we are concerned, is national notes, government money. But if we are to use it effectively it must the only kind of money current in Canada. We must withdraw the bank notes and substitute national notes therefor. We have already given a plan how this can mellected. But we can't run two kinds of currency in war times. We have, as a tratter of fact, guaranteed the bank issue. Let us go a step further and force the banks to withdraw it and give the banks government money in its place. That's ther story for another day. But it is because the banks are afraid to be bankers is times of war as well as in times of big profits they resent national notes. We've our hotels "to keep hotel." We must tell our banks to do bank business and "conserve the financial and commercial interests of the country."

And because The World has been the one paper to preach this, and because W. F. Maclean, M.P., has talked this way at Ottawa, we are described as dema-Read this from The Fanancial Times of Montreal, which professes to be the tion of the banks, of the big interests, of watered stock, of banks lending the le's savings (in the banks) on call loans in Wall street, and where they can't It-read, we say, these extracts,

MR. MACLEAN'S ORATORY.

Montreal Financial Times, Aug. 29.

Bisewhere in this issue we reprint from Hansard most of the rather lengthy harangue with which Mr. W. F. Maclean adorned the debate on the sovernment's admirable financial proposals. We would not have it understood therefrom that we take Mr. Maclean too seriously, or regard his devices for unlimited currency or unlimited loans as proper to engage the attention of serious financiers. It is true that the member for South York has an invincible habit of timing his infrequent arrivals in the house so as to coincide with what would be called at Westminster a "full-dress debate," and of occupying the floor when the limelight is strongest, with the exposition of some new panacea for the nation's lits; but a future historian who should conclude, merely from his place in Hansard, that Mr. Maclean was one of our Elder Statesmen would make a grave mistake. The only reason why Mr. Maclean requires to be considered by the friends of sane finance in Canada is that he is an exceedingly accomplished demagog and owns a popular newspaper, being enabled thereby to exercise a by no means negligible influence on the unthinking crowd.

Pretty good stuff this, mostly abuse, however. Demagog is good, especially

Pretty good stuff this, mostly abuse, however. Demagog is good, especially a who spells it with a "g o g." "Unthinking crowd" is finely descriptive of who put their money in the banks. They don't know what's good for them me who said a word on the other side is a "Limelighter" and his argument is

Most people suppose that we have in Canada, on the whole, a rather excellent system of banking. There are a few persons who, having been unable to secure the loans to which they think they are entitled, are fond of declaring that the Canadian banking system does not fulfill the primary purpose of allowing every Canadian to borrow all that he wants; but the majority of us feel that it is just as well that some people should not be allowed to borrow, and that the banks were probably doing very wisely by refusing credit to these completiners. Not so Mr. Maclean. He feels that it is an outrage that a banker who has, say, a hundred millions of the public's savings in his charge should refuse credit to anybody, so long as there is a follar of the hundred millions in the bank vaults.

Of course Mr. Maclean didn't say this, but he said pretty nearly what the ellor of the exchequer said the other day when he said the banks were reneg-

If you represent to him that it is desirable that some portion of the bundred millions should be kept in cash or in some form approximate to each, in case the depositing class should for some inscritable reason take to

banks, and all the banks of France, Germany, etc., practice it. What these ries do, Mr. Maclean wants Canada to do, and this is what Lloyd George is doing

The control of politicians over every aspect of the country's finance—the amount of its commercial ioans, the volume of its currency, the rates of interest—has no terrors for Mr. Maclean. He is a politician himself, and he is sure that if he were the minister of finance the country would be all right. Providentially for the country, the actual minister of finance prefers to leave these things as much as possible to those who make a business of them.

That's the point. Let the banks make our banking legislation! That's sacred e people and their members have something to say about the tariff and about

But we propose to keep on advocating: A single system of currency made up of national notes secured by a sufficient gold reserve in substitution of bank notes. The credit of the nation to be behind

(2). A national bank to do rediscounting for the other banks with national notes.
(8). The government to be at the head of our financial organization and not the banks. And parliament, representing the people, to make our banking laws, and

British Anxiety Lulled By Report of French

Army in Good Spirits-Alarming Stories of Disaster and Demoralization Published Earlier in Day Gave Country Distinct Shock-Germans Spent Men Lavishly in Effort to Roll Up British Line.

Canadian Press Despatch.

the statement from Field Marshal Sir John French, issued this afternoon, battle and retreat, and is ready to meet the enemy again.

es had been much greater. Earlier in the day the country re-

had been cut to pieces, that their or LONDON, Aug. 30, 9.30 p.m.—The ganization was gone, and that they

New Face on Situation. Earl Kitchener's words put a new that the British army in the field is face on the situation. According to in good condition and spirits, and has all official and unofficial reports, the been reinforced by twice as many men Germans came upon the small British as were lost during the four days' army with overwhelming force and rollhe enemy again.

The anneuncement that the losses ly and bringing into action a great totalled between 5000 and 6000 was something the country was prepared to hear. The people would not have been surprised to learn that the loss- were cavalry charges, and counter

were cavalry charges and counter charges during the four days' battle, ceived a distinct shock thru stories of presses the opinion that his troops disaster to and demoralization of the displayed great gallantry. All accounts British army which were published in from the soldiers, even from the exsome of the London papers. A correspondent had evidently been listening to startling tales from wounded and are confident of their ability to stragglers behind the lines who gave hold their own against anything like the impression that the British troops equal numbers of Germans.

Canadian Farmers Can Producing More Wheat a corman shot did some damage to the length room of the Arethusa. KING'S SON LANDED. Canadian Press Despatch. ABERDEEN. Scotland. Aug. 30.— The hospital ship Polynomer. Aid British Empire by

By a Staff Reporter.

OTTA A. Aug. 30.—Hon. Martin Burrell, nanister of agriculture, today received a cable from Liverpool expressing the views of some members of the Liverpool corn exchange in regard to increasing the Canadian wheat acreage for next year.

It is pointed out in the message that the area likely to be sown to wheat in Burope will be seriously reduced owing to the mobilization of nearly twenty million men. The Dominion Government is

All London on Edge Big Battle Going On fled in the direction of Cuxnaven, but they were pursued by the British destroyers, which did terrible execution with their four-inch-guns. Many of the Germans landed from

no additional news has been received admitted that the Germans are ad- cruisers. from either France or Belgium. This vancing in the direction of the town, is taken by many to mean that a big battle is going on with no decisive result as yet.

The fighting may be in the vicinity of Lannoyo, near Lille, or in the region of Signy L'Abbaye and Chateau Foicien. The French war office stated early today that a heavy battle oc.

BELGIAN MINISTERS ON MISSION TO AMERICA continues: "Altho only two of the enemy's destroyers were actually observed to sink, most of the other 18 or 20 boats rounded up and attacked were well punished up and attacked were well punished

Beecial Direct Copyrighted Cable to
The Toronto World.

LONDON, Aug. 30.—An Amsterdam newspaper states that the Belgian ministers, Vandervelde, Desadeleer, Gob
the special mission on which the ministers are sailing is the presentation of a document to President Wilson from their government, relative to the alleged violations of international law by Garman.

most of the other 18 or 20 boats ed up and attacked were well p and only saved themselves by tered flight.

Superior Gun Power.

"The superior gun power strength of the British decomposition of the British decomposition of the British decomposition on which the ministers are sailing is the presentation of a document to President Wilson from their government. expected.

It is regarded as likely that deputies.

Kiaochau May Resist Japs For Three Months

Canadian Press Despatch.

Tokio, Aug. 80.—Military experts here are said not to expect the fall of Kiaochau before the end of November, except by the voluntary capitulation of the Germans. The defences are reported to be most formidable and virtual-

LIGHT INFANTRY REGIMENT IS NOT ALLOWED TO SAIL

MORE CHAUFFEURS ARE NEEDED

An urgent appeal has been sent out from the local military headquarters for more chauffeurs for mechanical transport of Canadian troops and supplies abroad. Altho about 150 chauffeurs have already gone to Valcartier from Toronto, more are needed and high salaries have been offered. Of 27 applicants Saturday only two were rejected, and those accepted have been sent to Valcartier. Recruiting for the branch is at the military headquarters, 215 Sim-

NAVAL FIGHT OFF HELIGOLAND **WAS DISASTROUS TO GERMANS**

Known Loss of Enemy Nine Hundred Men, While British Casualties Were Relatively Small-Ships That Escaped Fled in Battered Condition.

(Continued From Page 1.)

six men killed; one man who has since at Berlin, desiring him to inform Ad died from wounds, one dangerously miral Von Tirpitz, the German minister of marine, that his son had been wounded, five seriously wounded and saved and had not been wounded. five slightly wounded. GERMANS ADMIT LOSSES.

a nursing home.

"The destroyer Laurel suffered ten men killed; one has since died of his wounds, and two men dangerously wounded, seven seriously wounded and

The Liberty, one of the British destroyers, which toob part in the battle off Heligoland, was hit by a shell which shattered her mast and tore away part of her bridge first of all and then the bridge first of all and the bridge firs which shattered her mast and tore lets Ariadne, Coem and Mainz and one away part of her bridge first of all and then smashed her searchlights and killed her commander, Lieutenant Commander Nigel K. W. Barttelot, and William Butcher, his signal man. Their deaths were instantaneous.

Plan Perfectly Executed.

Accounts of the battle say it was

Accounts of the battle say it was led by a fearless small detachment, the destroyers crept within the Ger-man lines at dawn between Heligoland

and the German coast.

An aeroplane sighted them and gave the news to the Germans, whose destroyers then came out. The British destroyers lured the Germans to the open sea, where other destroyers were waiting, spread out in fan shape.

A small engagement followed, and then the German cruisers came out. The British light cruiser Arethusa,

after a sighting shot, got her range splendidly and hit the foremost gun of one of the German cruisers, demolishing it. The Arethusa then fired a few broadsides at the enemy. Her practice was excellent. She hit a Ger-

The destroyers Liberty and Laertes fought a grand fight. A shell brought down the mast of the Liberty. The Laertes was hit amidships, a hole was shot thru her funnel her forward. shot thru her funnel, her forward guns were damaged and she received also a shell in the dynamo room and shot aft, which wrecked her cabin.

It was hot work, but at that moment the British light cruisers and battle cruisers appeared. It was the mo-ment for which they had been waiting, and their execution was deadly. The flist shot from one of the British bat-

and their execution was deadly. The first shot from one of the British battle cruisers sank a German cruiser which had been battering a destroyer.

Shot by Own Officers.

The German fleet that turned and fleet in the direction of Cuxhaven, but they were pursued by the British destroyer.

Special Direct Copyrighted Cable to
The Toronto World.

LONDON, Aug. 30.—The whole city was on edge this afternoon, waiting was on edge this afternoon, waiting to the British ships after the battle were wounded by revolver bullets. It is declared that the revolvers were used by German officers to prevent their men surrendering to the British boats, which had put off to save their drownwas on edge this afternoon, waiting for further news regarding the progress of the allied armies. Up to noon, however, it is officially announced that the attack would be resumed today.

There is undoubtedly other fighting near LaFere, a town only 70 miles from Paris. The French war office has it is said, were fired upon by German admitted that the Germans, it is said, were fired upon by German admitted that the Germans.

A Scouting Movement.

An official statement issued tonight, in describing the action between
the British and German warships off

gage them at leisure in the open sea." After briefly describing the of three German cruisers—the Mainz, Coeln and Ariadne—the statement

and only saved themselves by a scat-

The food supply in Klaochau is said to be most formidable and virtualed to be most formidable and virtual
Germans Rush to East.

LONDON.—The Evening News learns from its correspondent at Copenhagen that railroad transportation in Germany that railroad transportation of troops from the west to the east front.

The food supply in Klaochau is said to 69 killed and wounded. Among the killed must be included two officers of exceptional merit, Lieut. Commander Nigel K. W. Barttelot and Lieut. Eric Westmacott.

"All the British Casualties.

"The total British Casualties.

The total British Casualties.

"The total British Casualties.

The total

Princess Patricia's Corps Disembarked at Levis and Steamer Proceeded From Quebec on Orders From Admiralty-Supposition That German Cruisers Are

Canadian Press Despatch VALCARTIER, Aug. 30 .- On its way

on the continent, Canada's crack reniralty to disembark at Quebec. The regiment left Montreal on Saturday morning on the steamer Megantic, after having been given a stirring send-off, but on reaching Quebec at 6 o'clock in the evening, Col. Farquhar receibed a cablegram from the admiral-ty advising him to take his men from the boat. This was done on Sunday morning, and the entire regiment was conveyed across the river to Levis, where it is now encamped. When the regiment will resume its voyage is un-

known.

Col. Farquhar could offer no explanation why the admiralty had ordered the disembarkation of the troops. He visited the camp during the day and had a conference with Col. Sam Hughes, minister of militia, who, it is understood, has received definite information from the imperial authorities. It is presumed that during the recent engagement in the North Sea one or two German cruisers may have broken thru the British blockade and the route to England may not be clear-LONDON, August 30 .- The German battle off Heligoland confirms the

battle off Heligoland confirms the British reports that the German cruisers may have broken thru the British blockade and the route to England may not be cleared at the present time.

Toppedo boat were sunk. The British ships suffered small damage. Their losses were two officers and 27 men the killed and 19 men badly and 19 slightly wounded. The large proportion of killed shows the deadly character of the weapons which modern warships carry.

A despatch received here from Berlin by the Marconi Wireless Telegraph Company says:

"The naval engagement near Heligoland is treated by the press as being without significance and as an occurrence which cannot affect the general situation. The fighting took place apparently within the range of the Heligoland forts, which however, were unable to use their guns owing to the thick weather.

"The German emperor and empress met at Bad Nassau yesterday at the residence of Baron von Stein. Their majesties spent some time visiting the wounded and expressing their sympathy with them."

KING'S SON L'ANDED.

Canadian Press Despatch.

ABERDEEN, Scotland, Aug. 30.—
The hospital ship Rotulla today landed forty sick from the British fleet. The invalids included Prince Albart, according the route to England may not be cleared at troped at the prouse of at the present time.

Regiment Disappointed.

Regiment Disappointed.

Regiment Disappointed.

The order caused great disappointment among the members of the regiment on the deck of the regiment. The present disappoints. They maintained perfect discipline, but on being disorder. However, twee unament of the majority of the officers and soldierly manner of the majority of the officers and soldierly manner of the majority of the officers and soldierly manner of the majority of the officers and soldierly manner of the majority of the officers and sol

The hospital ship Rotulla today landed forty sick from the British fleet. The invalids included Prince Albert, second son of King George, who was taken to would be unwise to attempt to send forward any troops unless under es-cort of British warships, as purely a precautionary measure. The troops were placed on the Megantic at Montwere placed on the Megantic at Mont-real, as the authorities expected that a cable would be received by the time the steamer reached Quebec that a British convoy was ready, but the message did not come. "The regiment may be leaving for the front any time," said the minister of militia. "We are waiting for advice." It was reported several days ago that Prince Albert was suffering from an attack of appendicitis and had been landed at a port in Scotland, where it was said his condition caused no anxiety. Prince Albert was attached to the battleship Collingwood.

BALKAN STATES PREPARING. LONDON, Aug. 29.—According to a despatch from Rome all the Balkan states are preparing to enter the European "battle royal."

New French Army.

LONDON.—France has begun the formation of a new army of a quarter of a million men to take active measures against the Germans, according to reagainst the Germans, according to respect to the control of the contro

THE WORLD THE WAR

We would respectfully draw your attention to the reliability and reneral excellence of The World's War News.

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newspaper states that the Belgian ministers, Vandervelde, Desadeleer, Gobisters, Vandervelde, Desadeleer, Gobiet and D'Alriellea have left Antwerp
for America, charged with a special
mission from which good results are
expected.

The superior gun power,
and gun power,
with superior gun power,
and destroyers
strength of the British destroyers
strength of the British destroyers
strength of the British destroyers
strated. The destroyers themselves did
not hesitate to engage the enemy's
and the Canadian Associated Press Cables. The articles by H. G.
ist leader in the Belgian chamber of
deputies.

President Wilson from their govtions of international law by Germany
and to appeal to the United States
Government in the matter.

Minister Vandervelde is the Socialist leader in the Belgian chamber of
deputies.

President Wilson from their govtions of international law by Germany
and to appeal to the United States
Government in the matter.

Minister Vandervelde is the Socialist leader in the Belgian chamber of
deputies. casts the probable results of this terrible war, have created a profound got knocked about in the process.

"Intercepted German signals and other information from Germany conother information from Germany conother information from Germany confirms the report of Admiral Beatty as to the sinking of the third German orulser, which now appears to have been the Ariadne.

"The complements of the five German vessels known to have been sunk aggregated about 1200 officers and men, all of whom, with the exception of 300 prisoners, wounded and otherwise, perished.

"Besides this, there was the loss which must have been severe on board the German torpedo boats and other crulsers, which did not sink during the action.

British Casualties.

"The total British casualties amount.

"The total British casualties amoun

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