

CANADA, WITH PEACE DECLARED

Writing in the Toronto Globe, O. D. Skelton, Professor of Economics, Queen's University, Toronto, says: "Nineteen hundred and fourteen is a year the world will never forget. It is doubtful if since the year one more momentous day stands out in the annals of mankind. In face of this world-appraisal, many Canadian happenings and tendencies, economic and social, have shrunk in interest for the present, and so many new factors have been introduced by the war that it is impossible to make even approximate estimates of the current situation. It is difficult to take stock of an earthquake while it is still in progress."

End of Speculative Spree
In the early part of the year the sobering up after our long speculative spree was still going on. We were realizing that we had discounted the future years ahead, alike in speculative values and in much of our railway and municipal construction. The men and the millions that had poured in so freely from over sea were slackening, and the artificial prosperity they brought was fading away. The bumper crop longed for to give a fresh impetus to industry and investment did not come. An occasional gleam, like the Calgary oil episode brought back locally the hopes and the recklessnes of the good old days of 1900-1911, but for the most part the people of Canada, even those who had not been able to find still greener pastures to whom to pass on their holdings in Eldorado City subdivision property, were facing the situation frankly.

Then came the crash of war. At first it brought dismay and threatened paralysis, but realization that the war had to be fought as doggedly at home as in the trenches, and that there were very notable silver linings, soon rallied business men, in Canada and elsewhere, throughout the Empire. It would be unwise to pretend that the war has not worked and will not work great economic injury, but the claim that the silver linings are broad and substantial is based on solid facts: it is not merely an uncertain plan of self-interest.

For one thing, we are now in the same box with all other lands. Before the war we stood out before the world as the chief of speculative speculators and our troubles brought little sympathy but much patronizing advice. Now the greater crash has swallowed up the lesser. All lands, warring and neutral alike, have been shaken to their economic foundations. Our troubles become fairly respectable when viewed as the result of a world cataclysm, not of our own bad judgment. We can blame it all on the Kaiser; one little burden more or less on his head will not matter. When we start again we shall start more nearly on a level than if the war had not come, even though all nations will be nearer the bottom.

Nor does war mean to Canada one-tenth the economic loss and suffering it brings to the warring lands in

continental Europe. Our crops are not trampled by marching hosts, our factories not shelled by the foe. The sea is open to us, thanks to the absolutely overwhelming superiority of the allied fleets, and the machinery of exchange is working fairly normal.

Benefit to Producers
With our equipment for production uninjured, all that was needed was a market and credit facilities for the marketing. Credit facilities, after the patching-up of the broken down machinery of international exchange, have been reasonably well provided. In spite of some natural criticism from disappointed borrowers, it appears clear that the banks of Canada have not only proved able to weather the storm themselves but to give essential accommodation. And as to markets, the crippling of the European food producers has given our farmers a market at war-time prices, and our manufacturers have been greatly stimulated by war material orders. While the conclusion that as many industries have been helped as hindered by the war is unduly optimistic, as railway traffic returns and other general indexes show, conditions are better than any but the most courageous dared to hope in the fateful days of early August. War, too, by stopping immigration and by absorbing the unemployed, or rather a number equivalent to those who would have been unemployed, in military service at home or abroad, has left eastern Canada, at all events, seemingly less affected by unemployment than in 1907.

Borrowing From Grandchildren
The bill for all this will come in some day. We shall have to pay in heavy taxes and in scarcity of capital, we and our children. We have, in fact, tided over a crisis by borrowing from our grandchildren. It is perhaps excusable sometimes to ask posterity to do something for us who are doing so much for posterity, but it is a dangerous remedy, only to be used, like breaking the baby's bank, in last resort. It is true that, even from the strictly economic point of view, the war expenditures cannot all be accounted waste. We have more, take up another hole in our belts, spare other luxuries to provide funds for the luxury of war, and if the allies win, and win decisively, it they smash Prussian militarism

is true to their professions, surmount the temptation to be Prussianized in their own ideals, then part at least of the load or armament will be taken off the staggering nations' shoulders, and posterity be given more than we have taken away. And of course it is not only in money scales that this war is to be weighed; freedom and honor and democracy and all we fight for cannot be balanced against any economic advantage. For all that, a waste is no less waste because it is the lesser evil, and if for one nation reasonable war outlay may be considered a necessary insurance premium, for all nations together it is absolute and shameful loss.

Gain to United States

The United States stands to gain relatively most by the war. Already the tide there seems to have turned, and when the war ends it will apparently be launched once more on a period of prosperity. That means much for Canada, since, for woe or woe, independently of all tariff arrangements or political sympathies, our commercial fortunes are very greatly affected by those of our great neighbor. Prosperity south of 49 will be reflected north of it. After the war, too, this continent, though perhaps particularly the United States, is going to look very good to war-ravaged Europe; immigration may fairly be expected on an even greater scale than before, a scale such as to compel and to permit more careful sifting than in the past.

Increasing Production
One of the most obvious features of the year has been the awakening to the need for increasing production in every line. We have built the machinery, we have discounted the profits; now it is up to us to deliver the goods. The fear of "draining the country" by exports which prevailed some three years ago has given way to a feeling of the absolute need of making ends meet by increasing exports, even to the dangerous United States. The "Made in Canada" movement, pressed with the vigor of necessity, will do its part in making exports and imports more nearly balance. The new sense of the importance of the farm, of the difficulties which the farmer faces, of the need for the investigation of farm methods, credit, marketing, which was so notable a development of last year, has continued to mark 1914.

Co-Operative Action

Specialy significant was the recent meeting in Winnipeg between the farmers and the manufacturers, the frank recognition of need to study the other side, and the constructive policy jointly advocated. There will be less barren criticism on both sides here after if the promise of this meeting is sustained. Another important tendency is the growing interest in co-operation among producers and consumers alike. Such experiments in both buying and selling as those made by the Grain Growers of the West, the co-operative credit associations of the Desjardins type in Quebec, or the yet untried Saskatchewan form indicate the possibility of our finding a happy medium between the stark individualism and the looking up the State for help which have been too often our only alternatives.

Co-operation between individuals in the same occupation, as well as between different classes and sections of the community, may well be the best gift of 1914 to the economic Canada of the future, just as greater co-operation in political affairs is one of its legacies to the empire.

SITUATION IN TURKISH CAPITAL GROWING MORE ALARMING EVERY DAY

Local Authorities Apprehend Trouble from Inside as Well As Outside.

Sofia, Bulgaria, via London, Jan. 8.—Despatches reaching here from Constantinople describe the situation in the Turkish capital as increasingly alarming.

The local authorities appear to apprehend not only attacks from the outside but internal disorders as well. The archives of the state have been packed up ready for removal from the city and many of them already have been sent away.

Preparations have been completed also for the removal of the treasury, and locomotives are kept constantly under steam in the railroad yards of Stamboul to meet the possible necessity of conveying the officials of the government to a place of safety at short notice.

Preparations have been made at Adrianople for the quartering of state officials should eventualities cause the porte to decide to quit the present capital.

BRITISH GOVT.'S REPLY SENT TO WASHINGTON BY AMBASSADOR PAGE

London, Jan. 8.—Ambassador Page today received from the British government the preliminary reply to the American note protesting against British interference with American shipping. He forwarded it immediately to Washington.

The time of delivery of the more definite supplementary reply which the British government is to make is uncertain. It probably will be within two weeks.

Further negotiations between the two governments concerning specific cases of detention of American vessels will precede the preparation of the final British answer.

HIS HEALTH IN A TERRIBLE STATE

"Fruit-a-lives" Healed His Kidneys and Cured Him

HAGERSVILLE, ONT., Aug. 26th, 1913.
"About two years ago, I found my health in a very bad state. My kidneys were not doing their work and I was all run down in condition. I felt the need of some good remedy, and having seen 'Fruit-a-lives' advertised, I decided to try them. Their effect, I found more than satisfactory. Their action was mild and the result all that could be expected."

My kidneys resumed their normal action after I had taken upwards of a dozen boxes, and I regained my old-time vitality. Today, I am enjoying the best health I have ever had.
E. A. KELLY

"Fruit-a-lives" is the greatest kidney remedy in the world. It acts on the bowels and skin as well as on the kidneys, and thereby soothes and cures any kidney soreness.

"Fruit-a-lives" is sold by all dealers at 50c a box, 6 for \$2.50, trial size 25c, or will be sent on receipt of price by Fruit-a-lives Limited, Ottawa.

C.P.R. WILL PROCEED WITH CONSTRUCTION OF ROGERS PASS TUNNEL

Winnipeg, Jan. 7.—Somewhat modified in tone, due to the unsettled condition of financial affairs, the C. P. R. construction policy for 1915 will be a continuation of the work undertaken during the past year.

Tomorrow several of the western officials, including Vice President Grant Hall, Chief Engineer Sullivan and Chief Clerk De Wolge, will leave for Montreal to secure the appropriations for the ensuing year. Locally, the chief project on hand is the completion of the work now in progress around the depot and yards. With favorable weather conditions the alterations should be completed by June.

In the west the Rogers Pass tunnel will be proceeded with. The work is being pursued energetically and, notwithstanding the engineering difficulties frequently encountered, this long looked for short cut through the mountains should be completed early in 1917. The erection of any new hotels during the present year is not contemplated, but a project of interest to the central west is the construction of a "party" line connection from Adolpho, N.W. to Assiniboia.

TWO MORE CANADIANS RECEIVE COMMISSIONS IN KITCHENER'S ARMY

Toronto, Jan. 8.—Two more Toronto men have received commissions in British regiments in Kitchener's army, according to despatches from London. They are both sons of H. J. Bethune of the head office staff of the Dominion Bank. One son, H. E. Bethune, 20 years of age, has taken two years of the course at the Royal Military College at Kingston. When war broke out he happened to be in Winnipeg and immediately enlisted as a private with the 7th Cameron Highlanders.

Mr. Robert Bethune, aged 22 yrs., was a law student here with the firm of Aylesworth, Wright, Moss and Thompson. He joined the Fort Garry Regiment.

The two men above referred to are brothers of Jack Bethune of the local staff of the Bank of Commerce.

Municipality of Whitehead

Minutes of meeting held in municipal office, Alexander, Tuesday, Jan. 5th. The reeve and all councillors being present. The reeve and councillors Gerow, Chestnut and Nichol having taken their declaration of office the minutes of meeting held on Dec. 16 were read and confirmed.

Motions.
Touchburn—Nichol—That we pay Miss Walker \$2.00 for rent of P. O. Box for 1915 and Dr. Blanchard for isolating T. E. Morris, \$9 and Mrs. Blain, \$9.

Loney—Chestnut—That the assessment roll of 1914 be amended and revised on April 28 and afterwards used as the assessment roll of 1915.

Gerow—Loney—That the regular meetings of the council for 1915 be: Feb. 13, April 28 (court of revision), May 22, June 12, July 17, Aug. 7, Oct. 23 and Dec. 22.

Bylaw No. 606 appointing a secretary treasurer; No. 607, fixing the indemnity of the reeve and councillors; No. 608, appointing the Medical Health officer; No. 609, appointing a sanitary constable; No. 610, appointing a municipal constable having received their several readings, were declared passed.

Gerow—Thompson—That we grant the Children's Aid Society of Winnipeg, the sum of \$50.00.
M. Eaton, Clerk.

TURKS UNDER GERMAN OFFICERS ATTEMPTED TO REACH SUEZ CANAL

London, Jan. 7.—Referring to the British operations in the near east, Lord Kitchener said yesterday that in Mesopotamia the Indian expeditionary force had continued its northward advance, defeating the Turkish troops and inflicting on them heavy losses, while in Egypt certain Turkish troops under German officers had been observed by British aeronauts in an attempt to penetrate eastward to the Suez canal.

There had been scarcely any contact with the troops guarding the canal. The British, he said, had occupied several points in German East Africa.

Lord Curzon, who spoke for the opposition in the absence of the Marquis of Lansdowne who is ill, described as amazing the number of men the war office had been able to send to the front. He thought, however, that a more definite statement should have been made as to the progress of the recruiting and as to the military operations in the remote parts of the empire. It was his opinion that the best service which the war office could render would be to concentrate its efforts on the equipment of men who have been sufficiently trained and to send them to the front with as little delay as possible.

As to the number of men who would be wanted for the foreign service and home defence, Lord Curzon said he imagined that the war secretary would require considerably more than 2,000,000 and possibly 3,000,000. After eulogizing those who had fallen, Lord Curzon expressed unflinching confidence in Genl. French, Admiral Jellicoe and the forces under their command.

Thanks to Americans
Washington, Jan. 7.—The French embassy yesterday expressed its sincere thanks for the "great generosity shown by the American people" in the New Year's gift of \$100,000 offered by James Stillman for the war victims in France.

CANADIAN BANKERS ARE INTERESTED IN EXCHANGE MARKETS

Continued Weakness of Sterling Exchange Would Indicate at

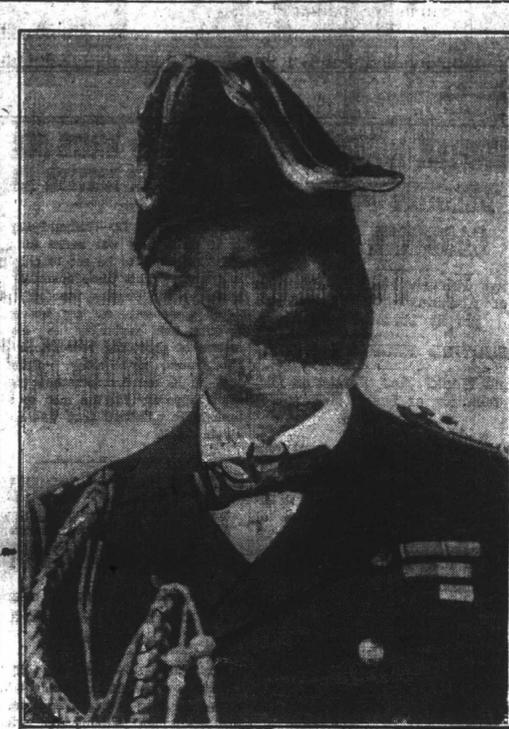
Toronto, Ont., Jan. 7.—Canadian bankers are keenly interested in the developments now taking place in the exchange markets. The continued weakness of Sterling Exchange would seem to point to an early movement of gold from Ottawa to New York. The gold exported, of course, would be that which is now in the custody of the minister of finance at Ottawa, at the credit of the Bank of England.

Canadian bankers are not at all unanimous on the probability of this gold movement taking place. They point out that New York does not need the gold at the present time. The new federal banking reserve system liberated gold and other liquid reserves of United States banks to the extent of \$175,000,000. Apart from this the United States gold holdings at present are large.

On the other hand the Bank of England needs all gold now in its possession to support its large outstanding issues of emergency currency. If gold exports began, the bank would have no alternative but to protect its reserve by the ordinary expedient of a temporary advance in its discount rate. Canadian bankers also point out that if New York insists upon having gold, London will at once retaliate by making heavy sales of its holding of American securities. This will create a credit balance for London in New York and therefore the exchange situation will be adjusted at once. The question of gold movement from Ottawa to New York is related altogether to the sterling exchange market and has nothing whatever to do with the market for Canadian exchange on New York. The situation in the latter market is even more interesting and Canadian bankers are watching it very closely.

During the last little while the rate of Canadian exchange in New York has been above the level which, under normal conditions, would call for the export of Canadian gold to New York. This is so notwithstanding the placing of several large Canadian loans in the American market, the C. P. R. equipment trust issue, for instance. The continued strength of New York funds in Montreal and Toronto, Canadian bankers point out, means that Canada must do something shortly to create a credit balance in New York.

The export of Canadian gold on a large scale is not seriously considered. Canada cannot afford to lose gold to the United States at this stage of the war. The alternative is a large increase in the volume of Canadian borrowings in the United States market. The cordial reception accorded



ADMIRAL SIR ARCHIBALD BERKELEY MILNE, WHO IS IN COMMAND OF THE BRITISH MEDITERRANEAN FLEET

FURTHER PRECAUTIONS ARE TAKEN REGARDING AMERICAN PASSPORTS

Passports Issued at Washington Must Now be Examined in London.

London, Jan. 7.—All passports issued by the state department at Washington will in the future have to be viced by the American embassy in London if the traveler passes through London. Furthermore, the bearers of American passports, previous to leaving England for the continent, will have to submit their passports to the consul in London of the country whether they are going for the consular stamp.

All the Americans who reached England yesterday on board the *Mauretania* had to observe the first of these formalities; those who proceeded to France and Holland had to have their passports stamped. Passports issued by London and other neutral countries, if Europeans also have been discovered recently in the hands of persons to whom they were not issued.

The result of this is that neutral European countries are tightening the regulations governing the issuing of passports as has the United States.

PARTY LEADERS REACH AGREEMENT IN THE FIVE BYE ELECTIONS PENDING

Ottawa, Jan. 8.—The party leaders have come to an agreement whereby there will be acclamations in the five bye-elections now pending. Conservatives will be returned in the four seats formerly held by supporters of the government and a Liberal in the one seat formerly held by an opposition member. The seats in which Conservatives will be returned by acclamation are Jacques Cartier, Terrebonne, London and Prince Albert.

"A Liberal will be returned without opposition" in Westmoreland, the opposition in Westmoreland, the bye-elections will be held at once.

CALDWELL TO PITCH FOR NEW YORK AMERICANS

New York, Jan. 8.—Manager Donovan of the American league baseball club, arrived here from Salamanca, N.Y., with a contract signed by Ray Caldwell, who is to pitch for the New York Americans this season.

Ontario Insurance Law
Toronto, Jan. 7.—W. S. Brewster, K.C., of Brantford, former member of the legislature for North Brant, has been appointed by the Ontario government to take charge of the litigation against the insurance companies which resist the payment of the provincial tax. The amount involved is about 145,000.

THE BEST PART OF THE CAKE IS ITS ICING—Mapleine

gives an exquisite "maple" flavor to cake frostings and fillings. And for flavoring sugar syrup it is unsurpassed for goodness and economy.

Grocers Sell Mapleine
Crescent Manufacturing Company, Seattle, Wn.

Nothing Will Stop Russia Till Germany is Utterly Defeated

London, Jan. 6.—The British public fails to realize the extent to which the war has become a holy war for the Russian army and people. Modern history in Russia affords no parallel for the religious fervor aroused in the fight with Germany and Austria. Nothing will stop them until Germany is trampled upon and Berlin itself sacked. The shortage of ammunition and equipment is Russia's chief hindrance for the moment but March will see a great change in these respects and by May ten million fully equipped and fully trained soldiers will hold Germany at their mercy.

Nothing Will Stop Russia Till Germany is Utterly Defeated

London, Jan. 6.—The British public fails to realize the extent to which the war has become a holy war for the Russian army and people. Modern history in Russia affords no parallel for the religious fervor aroused in the fight with Germany and Austria. Nothing will stop them until Germany is trampled upon and Berlin itself sacked. The shortage of ammunition and equipment is Russia's chief hindrance for the moment but March will see a great change in these respects and by May ten million fully equipped and fully trained soldiers will hold Germany at their mercy.

London, Jan. 6.—The British public fails to realize the extent to which the war has become a holy war for the Russian army and people. Modern history in Russia affords no parallel for the religious fervor aroused in the fight with Germany and Austria. Nothing will stop them until Germany is trampled upon and Berlin itself sacked. The shortage of ammunition and equipment is Russia's chief hindrance for the moment but March will see a great change in these respects and by May ten million fully equipped and fully trained soldiers will hold Germany at their mercy.

London, Jan. 6.—The British public fails to realize the extent to which the war has become a holy war for the Russian army and people. Modern history in Russia affords no parallel for the religious fervor aroused in the fight with Germany and Austria. Nothing will stop them until Germany is trampled upon and Berlin itself sacked. The shortage of ammunition and equipment is Russia's chief hindrance for the moment but March will see a great change in these respects and by May ten million fully equipped and fully trained soldiers will hold Germany at their mercy.

London, Jan. 6.—The British public fails to realize the extent to which the war has become a holy war for the Russian army and people. Modern history in Russia affords no parallel for the religious fervor aroused in the fight with Germany and Austria. Nothing will stop them until Germany is trampled upon and Berlin itself sacked. The shortage of ammunition and equipment is Russia's chief hindrance for the moment but March will see a great change in these respects and by May ten million fully equipped and fully trained soldiers will hold Germany at their mercy.

London, Jan. 6.—The British public fails to realize the extent to which the war has become a holy war for the Russian army and people. Modern history in Russia affords no parallel for the religious fervor aroused in the fight with Germany and Austria. Nothing will stop them until Germany is trampled upon and Berlin itself sacked. The shortage of ammunition and equipment is Russia's chief hindrance for the moment but March will see a great change in these respects and by May ten million fully equipped and fully trained soldiers will hold Germany at their mercy.

London, Jan. 6.—The British public fails to realize the extent to which the war has become a holy war for the Russian army and people. Modern history in Russia affords no parallel for the religious fervor aroused in the fight with Germany and Austria. Nothing will stop them until Germany is trampled upon and Berlin itself sacked. The shortage of ammunition and equipment is Russia's chief hindrance for the moment but March will see a great change in these respects and by May ten million fully equipped and fully trained soldiers will hold Germany at their mercy.

London, Jan. 6.—The British public fails to realize the extent to which the war has become a holy war for the Russian army and people. Modern history in Russia affords no parallel for the religious fervor aroused in the fight with Germany and Austria. Nothing will stop them until Germany is trampled upon and Berlin itself sacked. The shortage of ammunition and equipment is Russia's chief hindrance for the moment but March will see a great change in these respects and by May ten million fully equipped and fully trained soldiers will hold Germany at their mercy.

London, Jan. 6.—The British public fails to realize the extent to which the war has become a holy war for the Russian army and people. Modern history in Russia affords no parallel for the religious fervor aroused in the fight with Germany and Austria. Nothing will stop them until Germany is trampled upon and Berlin itself sacked. The shortage of ammunition and equipment is Russia's chief hindrance for the moment but March will see a great change in these respects and by May ten million fully equipped and fully trained soldiers will hold Germany at their mercy.

London, Jan. 6.—The British public fails to realize the extent to which the war has become a holy war for the Russian army and people. Modern history in Russia affords no parallel for the religious fervor aroused in the fight with Germany and Austria. Nothing will stop them until Germany is trampled upon and Berlin itself sacked. The shortage of ammunition and equipment is Russia's chief hindrance for the moment but March will see a great change in these respects and by May ten million fully equipped and fully trained soldiers will hold Germany at their mercy.

Wheat Hits Highest Price in Fifty Years

Chicago, Jan. 8.—On a second wave of buying May wheat went to \$1.40 a bushel, the highest figures with few exceptions in fifty years. Today's high prices are supported by despatches telling of excitement in the grain trade at Liverpool and admitting that demand there was keen. In the final hour another cent a bushel was added to previous values so that May wheat here was quoted here at \$1.41 a bushel. Meanwhile it was announced that bids from Great Britain at the American seaboard had risen four cents as compared with yesterday. It was also stated that a cargo of Durum wheat had been sold at the rate of \$2.07 a bushel delivered in Italy. Only 24 hours ago it was thought a marvel to get \$1.99 1/2 for Durum that was also bought subject to the cost of all charges to the Mediterranean.

A B C LAGERS

Abbeuser Budweiser Calgary

Sole Agent
Wm. FERGUSON
8th Street Phone 67