

NEWS OF WORLD TOLD IN BRIEF

Four Great Powers are Now Committed to War Britain May Join

PARALYZE IMPORTS

New York Despatch Says That Complete Suspension of Import Business is at Hand as Result of Condition Prevailing in Europe.

Four great Powers of Europe—Austria-Hungary, Russia, France and Germany—are now engaged in actual warfare, but the extraordinary position obtains that two of them, Germany and France, have not only not declared war against each other, as far as is known here, but have not even severed diplomatic relations and this despite the fact that Germany's ultimatum to France has either been ignored or rejected.

A New York despatch says an almost complete suspension of the import business of the country is near at hand, according to members of large importing firms. The cancelling of the sailings of all vessels by German steamship lines was feared to be merely a forerunner of more serious obstacles to the importing trade. Great difficulty is expected to be experienced in moving American exports because of the limited tonnage under United States registry or neutral flags.

London was feverish throughout the day yesterday awaiting the Cabinet's decision as to whether Great Britain would take a hand in the war. The ministers were conferring during the whole day, and formally shortly after ten o'clock it was reported that a grave decision had been reached and that Premier Asquith would announce it in the House of Commons to-day.

Since the return of Sir Robert Borden the cabinet has been in almost continuous session. The Government is being kept informed by cable of every development in the war situation, and confidential messages between the Canadian and Imperial governments are constantly passing to and fro by cipher cable. When the Prime Minister cut short his vacation and returned to Ottawa, a general call was sent out to all absent ministers to return at once to the Capitol. Hon. W. T. White and Sir George Foster arrived to-day, and at to-morrow's council there will be a full attendance of ministers, with the exception of those in the far west, Hon. J. A. Loughheed and Hon. Martin Burrell, and Hon. Dr. Roche, who is ill. The Minister of Militia returned from Toronto Saturday by special train and was present at the afternoon meeting of the cabinet.

In the event of Premier Borden's offer of an army division of 20,000 to 25,000 men being accepted, Quebec will be the point of embarkation. Col. Sam Hughes, minister of militia, arrived at Quebec by special yesterday morning and motored out to Valcartier, about twenty miles away. This, he says, has been chosen as the mobilization base, and the possibility is that thousands of troops may be pouring in here before next Sunday comes around.

CANCEL GOLD SHIPMENT.

New York, August 3.—I. and W. Seligman & Co. have cancelled a \$500,000 gold shipment for abroad.

D. W. Kuhn and Fidelity Title & Trust Co. of Pittsburgh have been named as receivers for Pittsburgh & Westmoreland Coal Co., \$7,000,000 capitalization.

Edward Cudaby, president Cudaby Packing Co., says that in event of general war export demand would bring abnormal prices for cattle and necessarily meat prices would advance.

HAS 700,000 HORSE POWER IN SIGHT

J. B. Duke and Associates Contemplate Much Hydro Electric Development in Canada.

MANY SITES ACQUIRED

Same Interests are Also Making Sounder Investments in Norway and Sweden—Will Effect Great Revolution in all Industries.

New York, Aug. 3.—J. B. Duke and associates, who have invested close to \$30,000,000 in hydro-electric developments and electric railways in North and South Carolina, as represented by the Southern Power Co., and the Piedmont and Northern Railway Co., now have plans to enter extensively into hydro-electric propositions in Canada, and probably in Norway and Sweden.

W. S. Lee, vice-president of the Southern Power Co., has just returned from a trip to Norway and Sweden, where he inspected the large hydro-electric developments of those countries. Utilization of power in large quantities in the electric furnace has now been brought to such a high state of efficiency that it is believed that this is destined to effect a great revolution in all industries. Possibilities of hydro-electric development have been made so attractive in Canada and in Norway and Sweden that capitalists all over the world are now directing their attention to these countries, with reference to water-power development.

Field for Development.

Mr. Lee is quoted in the Manufacturers Record as saying: "This excursion into foreign fields does not mean that the interests responsible for the wonderful development of Piedmont Carolina intend to withdraw from the field, but on the contrary they expect to continue to make investments in it. Success along these lines must of course be measured by the encouragement and sympathy which the public affords the different enterprises."

"There is no intention of abandoning America, but as to mammoth future developments the attention of these interests has been attracted elsewhere. There is a great field for development, particularly along the line of electro-chemical and electro-metallurgical processes, that is simply astounding in scope and possibilities. The utilization of power in large quantities in the electric furnace is the keynote secret of the undertaking, and this is the field that is going to be stressed. In order to be able to proceed with such development, much of which is experimental, cheap power is absolutely essential and it must be available in large units."

Abundant and Cheap.

"Raw material also must be abundant and cheap. In the elaboration of these great plans the men who are investing their millions must have a maximum of freedom from restraint and in order to achieve this highly prized essential they are now looking to foreign lands for a field for their activities."

It is understood here in hydro-electrical circles that Mr. Duke and his associates have been acquiring options on power sites in Canada for several years until to-day they have approximately 700,000 available horsepower that can be developed for something like \$10 a horsepower or perhaps less. Engineers are also working on the perfection of the electric furnace. It is stated that deposits of Canadian iron ore are being investigated, with a view to purchase in order that raw material for steel making may be had.

E. H. Gary, chairman of the Steel Corporation, is quoted as saying in Paris that he unreservedly approved closing of New York Stock Exchange. He said that general war might benefit America for the moment, but eventually would be harmful.

Wool prices dropped 10% in Australia as result of European crisis.

GLEANED FROM MANY SOURCES

Panama Canal Exposition at San Francisco may be postponed on account of war situation.

Threat to call a strike of 18,000 mine workers of Lackawanna Coal Co. has been abandoned.

William R. Hearst has filed plans for 25-story building on north side of Columbus Circle, New York City, to cost \$1,000,000.

N. W. Halsey, who died in 1911, left an estate valued at \$2,804,820. Bulk of estate consisted of an 85% interest in N. W. Halsey & Co.

Price of flour has increased 50 to 75 cents a barrel in New York. Leading grocers expect advance in wheat, canned food, sugar and coffee.

Kermit Roosevelt will be associated with credit department of Rio de Janeiro branch of the National City Bank.

Shaker colony in eastern Connecticut will sell tobacco land, valued at \$250,000, to syndicate of Hartford and New York capitalists.

It is estimated it will take two years to appraise value of J. P. Morgan's estate. An expert says his miniatures alone are worth \$5,000,000.

Austria-Hungary has placed an order for 100,000 pounds of bayonet and scabbard steel with a Pittsburg company.

Kali Syndicate announces that, until European peace is restored, no more potash will be shipped to the United States.

Secretary Hutchins, of National Jewellers Association says precious stones worth \$3,500,000 are smuggled into the United States every month.

Post says Germany, Austria, Italy, England, France and Russia are trying to buy Argentine dreadnought Rivadavia, now at Fore River yards, Quincy. One power offered \$22,500,000.

New enterprises with aggregate capital of \$174,351,500 were incorporated in Massachusetts during 1913. Increases in capital by other concerns amounted to \$35,862,545.

In the past year sales in St. Louis of the May Department Stores Co. amounted to \$8,711,156; Simmons Hardware Co., \$9,478,299; American Car & Foundry Co., \$11,100,540; and International Shoe Co., \$26,016,085.

General Rubber Co. has filed suit against E. C. Benedict, a director, for \$185,000 damages, charging that he was working against the interests of the company, started a rival buying agency, and induced the company's general manager to aid in the private enterprise.

Judge Elbert Gary, who intended to leave Paris for Carlsbad, has abandoned the trip. He says: "I can see in the situation no reason why American business and financial prosperity shouldn't continue. American stocks in large amounts, of course, are being sent back for realization, but there is immense reserve capital in our country."

Cape Cod can't receive Thursday, first day it was open to regular traffic, \$51 tons. This was for passage of four yachts. Strong current in canal due to tide's being three hours earlier in Buzzard's bay than in Cape Cod bay and four feet high in Buzzard's as against 19 feet in Cape Cod bay.

A ONE SIDED VIEW OF CANAL IN GREAT BRITAIN

Only the Purely Romantic Aspect of Construction of Panama Canal Has Thus Far Appealed to the Public at Large.

(Special Correspondent, W. E. DOWDING.)

London, Aug. 3.—Up to the present the British public has taken an almost one-sided view of the Panama Canal. Perhaps it may be put this way, that the romantic aspect of the huge undertaking has hitherto filled the public imagination. Probably more descriptions of the work have been published than of any other great engineering work in the world's history. And beyond all this, while the canal itself has been under construction, we have seen a vast and rapid spread of the moving picture shows which are now constantly displaying films of the canal.

But business men in all parts of the world are now finding it necessary to mature their plans for taking advantage of the commercial possibilities of the canal. To the romance which appeals to the general mind will very soon be added the romance of commerce. Already the International Mercantile Marine Company has announced regular sailings between New York and San Francisco. The Royal Mail Steam Packet Company and other well known British firms are busy making preparations. French, German, Dutch, Scandinavian, Russian and Italian shipping interests are proposing to take advantage of the canal; and there are now signs that the Japanese mercantile marine will be considerably developed in order to exploit the possibilities of the Canal to the fullest. It would be possible, already, to compile a very long preliminary list of sailings via Panama.

Keen Competition.

Simultaneously with this wonderful development there is going on preparation for keen competition in shipping from Europe eastward. Hitherto British lines have tapped the most valuable traffic of the East. But the German shipping companies are now making a strong bid in Eastern and African ports, and the probability is that rates will decline through their competition.

Greater facilities in one hemisphere and keener competition in the other, will certainly result in reducing the cost of distributing the products of the world. The manufacturer and the consumer should receive the benefit. We shall in a few years receive the benefit. We shall see in a few years what artificial obstacles are allowed to stand in the way of the proper distribution of this benefit.

EXTEND MINIMUM TO OTHER ACTIVITIES

British Government Would Deal With Incomes of Agriculture and Other Industrial Workers

CAPITALISTS' VIEW POINT

Mr. Seaborn Rowntree Points Out Three Possible Sources of Increase and Discusses Effect of Each Upon the Community in General.

London, August 3.—The wages of nearly 400,000 persons in this country are already being dealt with, or have been dealt with, under the provisions of the Trade Boards Act of 1909. For these people minimum wages have been fixed. The Government now proposes to extend minimum wage legislation, not only to agriculture but to other industries. It is, therefore, a subject that will be widely discussed in the near future. One of the best authorities on living wage legislation is Mr. B. Seaborn Rowntree, and an article from his pen appears in the Financial Review of Reviews for July.

The Worker.

In this article Mr. Rowntree discusses "the effect of the legal fixing of minimum wages, from the capitalist's point of view," and enquires into "the probable effect upon British industry of a legal enactment that all workers of ordinary ability shall be paid at least living wages." There are, he points out, three sources from which the increase in wages may be drawn:—

"1. The Workers—whose efficiency may increase in proportion to the wage;

"2. The Employers—(a) with the result of reducing profits. This might lead to the closing down of individual factories or whole industries;

"(b) Without any reduction of profits through their own greater efficiency in the conduct of their business;

"3. The Consumers—who may be obliged to pay increased prices for their goods."

Taking these three sources, one at a time, Mr. Rowntree considers the effect of raising wages to "an efficiency level." Low wages lead to bad housing; the man often goes better fed than the wife and children; but privation in the growing period saps vigor in the adult. Indeed the efficiency value of better feeding and better housing is scarcely disputed. "Nor must the mental effect of low wages on the worker be overlooked. A man who feels he is underpaid does not work with a will."

Some employers suggest that "there are many low-paid posts which are quite adequately filled by men of little physical and mental vigor, and that their increased vigor would not profit their employers."

Mr. Rowntree doubts the accuracy of this view. Another argument of employers is that in many processes the speed of the machinery regulates the output, and the machine tenders have no control over it. Mr. Rowntree discounts this theory, and says it has been found that men better paid were sharper at starting work when the bell rang, and more alert in utilizing every moment of the day, in seeing to it that machines were never running half empty, and that necessary adjustments were promptly made."

The conclusion arrived at is that energy is derived from food, and an underfed laborer cannot do full work. In other words, "the provision of adequate nutriment is an essential preliminary to the exercise of full energy."

"Reviewing the whole situation, I think there is no doubt that the proportion of low-paid laborers whose efficiency would rise with higher wages is so large that employers should receive, in the form of increased output, a large proportion of any individual sum that might be paid in wages. But the extent to which that would actually be the case would depend largely on themselves."

The Employer.

The extent to which an increase in output will follow increasing the wages to an efficiency level, "will depend largely upon the organization of industry by the employer."

"The first and immediate effect of fixing a minimum wage will be to confront the employer who has hitherto paid less with the prospect of a reduction in his profits, and he will ask at once whether this can in any way be avoided. He will probably attack the problem in the following way: First, he will inquire whether work is being wastefully organized and time lost in consequence. In a word, he will try to place his men better, just as a general who has few men to carry through a military operation will spend much thought on so disposing them that each is most effective. This does not necessarily mean that he will put undue pressure upon the workers. It may possibly mean a number of small labor-saving devices, or seeing that workers are not kept waiting for work, and countless similar expedients. Simultaneously he will inquire whether workers now working 'on day' cannot advantageously be put on piece work, and whether labor-saving machinery which it was not worth while to install when labor was cheaper would now be profitable. Then he will examine other possible economies. He will ask whether he is producing his power in the most economical way; whether he is using coal having the highest calorific value in relation to its cost; and whether there is waste of water or gas. Thus if he be energetic and alert he will go through his factory and effect all kinds of economies. Then he will find out whether improved processes of manufacture can be devised. In short, the new situation which confronts him will act upon the energetic business manager as a spur, inciting him to greater activity."

More important from the national standpoint is the question whether whole industries would be wiped out if the employers were obliged to pay their workers a living wage. The writer says:—

"If there are any such industries they would be those in which—

"(1) The margin of profit is very low.

"(2) The increase in the workers' output which would result from higher wages would not be proportionate to the increase in wages, notwithstanding all the employer's efforts to improve organization and supply the best possible appliances;

"(3) The market conditions are such that prices cannot be raised.

"This means that there would be trades in which the workers even when working under the most favorable conditions could not possibly earn a living wage. The question whether such trades or sections of trades are worth preserving I will not here enter upon, but

HAPPENINGS IN THE WORLD OF SPORT

Royals Took Both Ends of a Double Header from Newark Indians Saturday

GIANTS DROP ANOTHER

Cubs Also Lose, and St. Louis Keep on Dropping The Eastern Garsmen Fail to Win at Henley Valleyfield Win Out Again.

A brace of games from Newark made 2,500 fans happy on Saturday. In both games, superior pitching on the part of the local boxmen, Miller and Richter, was responsible for the victory. We made 11 hits in the first encounter, but they produced only two runs, as they were scattered pretty well over the innings. The second game was a closer pitched battle, with Richter having the edge on Schacht.

The Skeeeters are here to-day, after losing four out of five to the Leafs. We ought to do as well as Toronto, and while even the whole series would hardly raise us from our lowly position, it would give us good foothold to walk over the Indians, who are next berth.

The members of the Giants are taking turns at imposing ball games upon the Cincinnati Reds. First it was Chief Meyers, then it was Larry Doyle, and on Saturday Art Fletcher, with the bases full, saw the Reds the third game of the series. The score was 6 to 1.

That makes three straight wins for Cincinnati, and as there are only two more games to play, Cincinnati cannot lose the series.

The same palsy that seems to be affecting the Giants has also robbed the Cubs of their efficiency. They, too, dropped another game, when the Phillies walloped three of their pitchers for 10 hits.

Boston are still steaming along under a full head of steam. They beat St. Louis again on Saturday.

Walter Johnson passed six men and cut loose with a wild pitch, and allowed seven hits, but still Washington beat the Tigers 3 to 0, for big Walter was unhittable when there were men on bases.

The Athletics will soon be so far ahead in the race that they will be lonely. They beat St. Louis 9 to 6 on Saturday.

Boston made a clean sweep of the White Sox series.

Not one of the local canoe clubs won an event at the C. C. A. meet in Ottawa Saturday.

Valleyfield bowlers defended the Birks Trophy against Westmount on Saturday, beating the locals by 27 shots.

Lachine oarsmen were beaten in the 140-pound eights by the Argos in the second day of the Canadian Henley meeting. Dibble successfully defended his title against his slummate Lepper, but had to work to do it.

In the N. L. U. Saturday, the M. A. A. beat Cornwall 7 to 1, and Rosedale won from Shamrocks 11 to 4. The D. L. A. event was won by the Irish-Canadians, who beat Tecumseh's 7 to 4.

Cotton Manufacturers' Association decided that most of ninety odd mills at Fall River should be closed down to-day and some of them next week. Business has been quiet for some weeks but European situation has knocked bottom out of sales which are said to be less than one-fifth of production.

If sales of Ford cars between August 1, 1914, and August 1, 1915, reaches 300,000 every customer buying a car between these dates will receive a rebate of \$40. Manufacture of 1915 cars will be commenced on Monday and flat price of touring car will be reduced from \$550 to \$490 and roadster from \$500 to \$440.

A NEW BOND COMPANY.

Hamilton, August 3.—The Ontario Bond Corporation, capitalized at one million dollars, announces its directorate to consist of F. W. Brennan, Edward Smith, F. W. Sage, F. E. Sheppard and John Connor, all of this city. The headquarters of the new institution will be in Hamilton. Mr. Brennan states that Canadian industrialists will be dealt in almost exclusively.

the conditions postulated are such as to make it evident that the number of trades in this parlous condition is probably insignificant."

Moreover, although minimum wages have been fixed "in trades where a considerable number of the workers were paid exceptionally low wages—there appears to be no evidence that any trade as a whole has been seriously injured or seriously checked in its development. Therefore the fear that whole trade might, as a consequence of the establishment of an efficiency wage, be wiped out of existence need not be entertained."

The Consumer.

Lastly, would the fixing of a minimum wage raise the prices of commodities?

Mr. Rowntree thinks that "employers will undoubtedly endeavor to raise the price of their products, and when 'home or foreign competition is not too severe they may succeed in doing so.' Yet "in so far as the increased wage bill can be met in the other ways alluded above, their efforts to increase prices will eventually fail, for the higher prices cannot be maintained in the face of competition, either British or foreign, unless the cost of production has increased."

Again, it is said that if an increase in wages leads to an increase in prices the workers would be better off.

"Those who use this argument," says Mr. Rowntree, "forget that the whole of the increase in wages goes to the workers, but that they only purchase a proportion of the finishing goods. Even, therefore, the whole of the extra cost of wages were added to prices—and this really could not happen—the workers would be better off than they are now."

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WEATHER FAIR Vol. XXIX, No. We Own and Of Town of 5 1-2% Deb PRICE TO N. B. ST TORONTO LONDON MO THE MOL Capital Paid Up Reserve Fund 88 Branch Head Office: 88 Branch Agents in all Parts of the Savings LETTERS OF CREDIT ISS TRAVELLERS' CHE DRAFTS AN A General Bankin THE DOMIN and INVESTM DOMINION SA LONDON Capital Reserve T. H. PURDOM, K. C. President. The Man Properties We make the genera leading feature for the are prevented by absence wise, from managing th Executors, lawyers and denied with these trusts changes through this f (he)control, while reli noyance of the details such properties. THE TRANSPORT 120 St. James Stre NOW LOVI Montreal for 19 JOHN LOVELL 23 ST. NICH Telephone PROGRESS IN GERMAN IN PAST T Empire Has Made Enorm Production—Steel Produ 1370 With the eyes of the ent many, where it is possible would be staged, should a velop, it is inevitable tha suffer tremendous losses. vipment of German ind years offers a study of Franco-Prussian war and country. The following table Times," A. B. Leach & C and is reprinted in the Bo Pig iron production (tons)1887 Steel prod. (tons).....1886 Length of railways (kilometers) 1885 Imports (marks)1887 3. Exports (marks)1887 3. Commercial mar- ine (tons)1888 Annual personal in- come (marks)1896 12. Tax. prop.(marks)1886 62. Wage earn. no.1882 Harvesting machin- ery (no.)1882 Cereal crops area planted (hect.) 1885 Area planted yield (tons)1885 Sugar beets harvest- ed (tons)1889 *Last three figures omit INVADERS A Paris, August 4.—A squ invaded France to destroy day north of Nancy, was killed and 75 taken prison