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# The Toronto World

TWELVE PAGES--WEDNESDAY MORNING MAY 15 1912--TWELVE PAGES.

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VOL. XXXII--No. 11,609

### Interest in the Banking Situation Grows.

The Globe has reversed its position on bank mergers. It is now against them. The action of The World has caused widespread consternation among the merger men and their newspaper apologists. But The Globe calls for no investigation of the causes surrounding the Traders-Royal merger, so-called. There must be full information as to the negotiations of the deal, the profits and features of the proposed sale of the Traders Bank and the transfer of its corpus and corpus to Montreal!

The switch of The Globe is accompanied by reflections, some of which are pointedly directed against its former articles approving of the sell-out of the Toronto bank. It is now against a money trust, it is for public information of banks. It hints that the old banks are hostile to new ones—that the Bankers' Association is a good deal of a public enemy. The Globe says had there been public inspection, the last four failures of the past six years might have been avoided; that the paper doesn't say it is that if such inspection were provided, one loss, perhaps greater than all the losses in the banks mentioned, and within a recent period, might have been prevented. It is not the ill-fated Sovereign, Farmers, Ontario that alone are the offenders. Their sins are not the only menace that has threatened our banking system.

These things, however, are but on the side of our main contention that we must reorganize our banking laws and methods so as to get, if it be possible, much greater banking facilities in Canada. And the main value in our contemporary's article is:

Banking capital and deposits available for the carrying of business loans have not increased in the Dominion in anything like the ratio in which general business has increased.

That is the point to which The World directs attention and invites suggestions as to improvement. The Globe is silent on this point. And yet it is the one point that must be settled. Our credit system has fallen down; it has not grown with the needs of the country.

The banks have been asked to do too much perhaps; in many instances to help find capital for purchase of real estate needed for business in big buildings, to help temporarily, and otherwise, to find capital for business that should be got other ways.

Our loan companies have largely failed to produce funds sufficient for the legitimate demands of real estate and building. In the States most of this money comes from the people's savings in savings banks. Here in Canada the people's savings largely go into business. Our banks have to help out the loan companies. The loan companies cannot sell half enough of their debentures. Why? Perhaps they do not pay high enough interest. Capitalists and investors are freely getting more for their money.

We believe that one of the reasons for the lack of money for loan companies and for banks is the unjustifiable system that the exploiters have nurtured into being, that of giving bonus common stock with preferred stock or bonds of overvalued industrial and public franchise corporations. The banks here and abroad are largely to blame for this.

And there is another new condition that has grown into the situation, and that is the rise of trust companies. What effect have they had on the banking problem? We do not attempt here to answer. The facts are not forthcoming. For five or more years in parliament the writer has asked that the trust companies be put under a general law like the banks, with provisions for annual returns of the main features of their business. We cannot be satisfactorily answered the bank law unless we get a clearer view of the trust companies.

But coming back to the main issue: how are we to get more banking capital in this country? The Globe has no suggestion. Nor has any banker offered a suggestion. Assuredly mergers and a bank trust will not secure it. The existing shareholders in the banks will not and it beyond a very limited amount. And yet the country is growing in a most startling way and the need of money is unparalleled. Why are public men and newspapers afraid to discuss this condition? In the meantime, the people of the Canadian west are talking about a system of state loans to farmers at five per cent. If the bank men will not suggest the people will certainly proceed as best they can.

The World believes that its suggestion of a largely increased issue of national notes in place of bank currency, or if it must be of both, is the best relief in sight. And it also believes that the banks must increase their interest on deposits without raising the rate on loans to the public, and that the most attractive of all sources of increased supplies might be in deposits secured in Great Britain on some kind of note of withdrawal.

## FRENCH BANDITS SLAIN AFTER LONG BATTLE

### Two Survivors of Gang Which Had Terrorized France Blown Up by Bombs as Climax of Eight Hours' Struggle in Which Police, Gendarmes and Zouaves Participated.

PARIS, May 15.—(Can. Press.)—The career of the last of France's notorious bandit gangs was dramatically ended this morning when, after eight hours' battle with police and troops, its leader, Octave Garnier, and his confederate, Vallet, were blown up by explosives in a small villa at Nogent-sur-Marne, on the banks of the Marne, where they had taken refuge.

Shattered by shots of dynamite, their house fell in ruins when melinite was exploded under its walls. The police found Garnier dead and Vallet lying. Five policemen were wounded in the battle.

All the forces for the protection of society had failed for hours to dislodge them. Police came from Paris, four miles away. Several thousand police, gendarmes and Zouaves tried to shoot the bandits and blow up the house. The villa was badly damaged by dynamite the bandits miraculously held their own and showed no signs of surrendering.

Unlike Bonnot, whose refuge was dynamited at Choisy-lès-Roi, Garnier made his last stand in a house hidden by foliage and surrounded closely by other buildings, rendering an assault difficult and dangerous. Bonnot and Dubois fought in a garage, which could be approached from all sides.

Garnier's mistake came in trying to negotiate stolen securities at a branch of a big banking house, whereby he and his companions, Vallet and Vulliamin were tracked to Nogent.

### Perfect Lepine Almost Killed

Louis Lepine, the prefect of police of Paris, with a large body of policemen, left headquarters hurriedly in motor cars for the scene.

M. Lepine had a narrow escape from death. Although some distance from the villa, a bullet passed within an inch of his shoulder and buried itself in the wall of a house, sending up a shower of

fragments into the prefect's face. The crowds, forced back further and further, lost patience and vented their feelings in a wild chorus of "Death to the Bandits."

The arrival of a brigade of reserve police was loudly cheered.

From the attic windows the trapped men directed a steady fusillade, and in the flickering glare of torches, the scene was dramatic in the extreme.

Trains from Paris conveying the working people to their homes slowly passed over the bridge, affording thousands a view of the fight.

At 10.15 M. Lepine ordered electric searchlights from Paris, as there was great danger in the obscurity of the besiegers accidentally shooting their fellows.

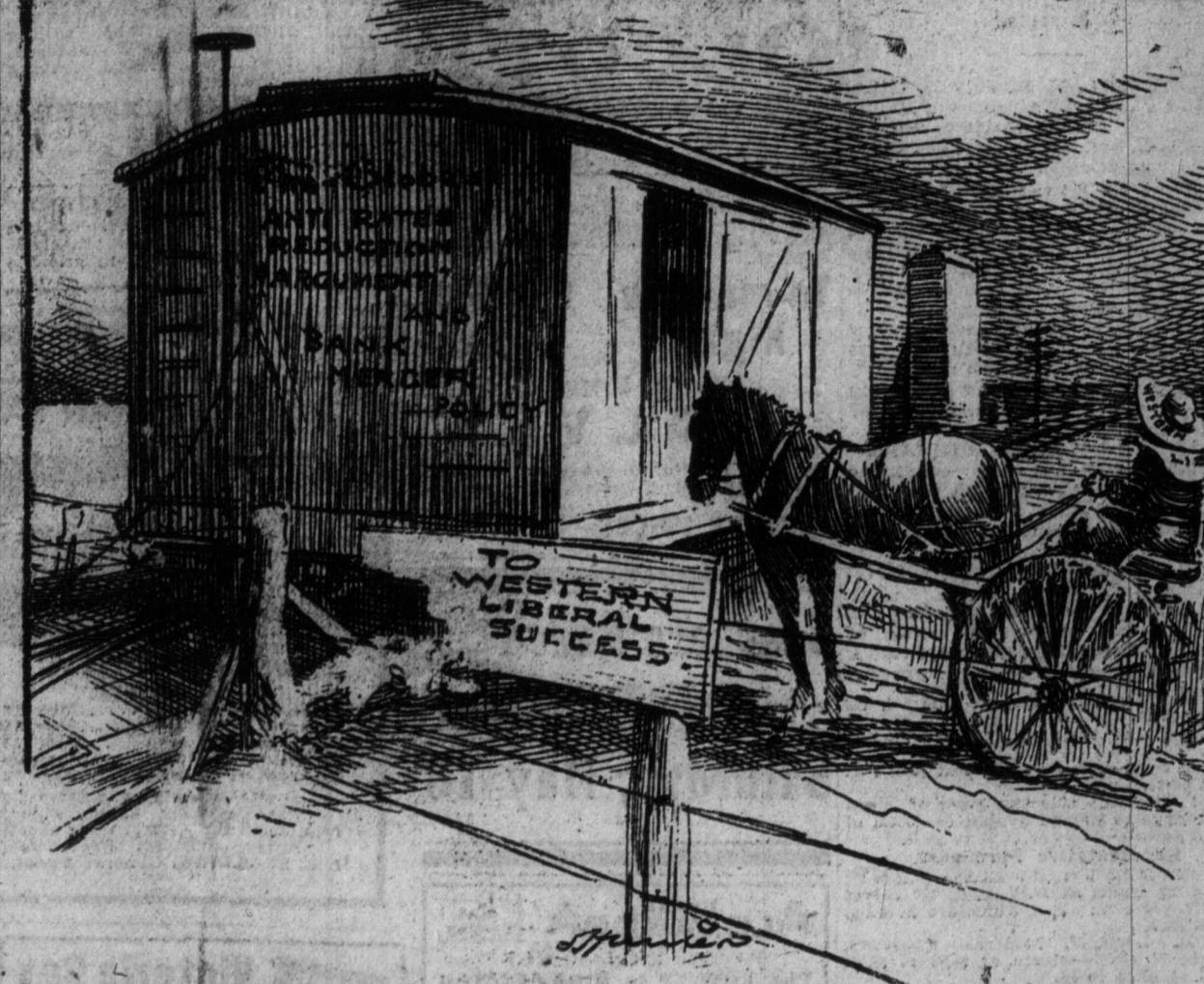
### Used Shields in Advance

The prefect also requisitioned extra dynamite bombs and cartridges. Several detectives armed with a new type of steel shield which the police arsenal recently devised, were able to approach within fifteen feet of the house. Holding the shield with the left arm, and crouching behind it, they fired. One shield was pierced, but the detective was not wounded. Sergeant Fleury, who was dangerously wounded earlier in the battle while protected by a steel shield, owed his injury to the fact that he turned to explain to a comrade how well his armor was working, thus exposing his body.

The firing ceased for a time, the bandits either being exhausted or saving ammunition, while the soldiers were forced to discontinue pending the arrival of a new stock of cartridges from Port Nogent.

Later two more dynamite cartridges were exploded, and a portion of one of the walls toppled over. Nevertheless, the bandits apparently succeeded in finding shelter in what remained of the structure.

## BLOCKED



WESTERN LIBERAL: Held up by an "empty," by thunder.

## COUNCIL TAKE UP DOUBLE TRACKS

### Deal With Clauses One by One But Make Little Progress—School Board and Council at Odds and Ends.

NORTH TORONTO, May 14.—(Special.)—The school board met this evening to discuss the agreement between the town and the Metropolitan Railway and another item in the fresh to-night, when they came up against the public school board more than ever in earnest in their purpose with respect to the Davistown trouble, which has been in evidence now for a month or two. So far from coming to any agreement the board is wider than ever, and requires will be had to the people.

## INCENDIARISM AT THE NUMBER?

### Hotel and Other Buildings Burned Valued at \$40,000—The Owners Are Hard Hit.

The Humber Beach Hotel and several other buildings, which were destroyed by fire yesterday morning, were valued at \$40,000.

## TWO GREAT HAT MAKERS

Christy of London, England, and Dunlop of New York, the two greatest makers of hats in all the world, are no longer established.

## BANK OF MONTREAL'S PROFIT

MONTREAL, May 14.—The statement of the Bank of Montreal for the half-year ended April 30, was issued to-day. It shows profits for the half year of \$1,235,538, as compared with \$832,845 for the half year ended April 30, 1911.

## Quebec Outlook Uncertain

MONTREAL, May 14.—(Special.)—One of the most uncertain outlooks ever fought out in this province will be concluded to-morrow evening. This is the first time in 15 years that the Conservative party have put up a fight. With good financial assistance and the federal power on their side it would be indeed a surprise if they did not make great gains. Their organization is certainly better than the Liberals, who claim, however, that they are going to win, hands down, yet are unable to explain why.

## NORTHERNERS TO INVADE CITY

### With Procession, Meetings, and Thru Press of Province, New Ontario Will Seek Recognition.

With the aim of giving a big impetus to the New Ontario movement, the city council of Sault Ste. Marie, Ont., have decided on a novel campaign.

## CRUSHED UNDER LUMBER WAGON

### Alex. Cudney, Thrown When Wheels Struck a Rut on Queen Street, Was Instantly Killed.

The bad condition of the road on East Queen-st., opposite the Woodbine, caused a death yesterday afternoon, when Alex. Cudney, of 11 Trinity-st., a driver for the Reid Lumber Co., was felled off a load of lumber he was driving, and falling under the wheels was instantly killed.

## MANAGER O. E. SHEPPARD'S PLAN

Manager O. E. Sheppard's plan of making popular prices for "The Run-aways" matinee to-day at the Princess, will doubtless be rewarded by a bumper house, as it offers an opportunity of seeing that winsome comedienne, Miss Ethel Burke, in her best play at a small cost.

## ARCHITECT SAYS EVIDENCE WAS RIDICULOUS

### Engineer Claimed That North Wall of Neilson Building Was Out of Plumb and Liable to Collapse But Was Flatly Contradicted by S. G. Beckett.

Surprise and amusement was created at the enquiry into the cause of the collapse of the south wall of the Neilson building last night, when Robert W. King, a civil engineer, stated that the wall of the building are at present out of plumb and that a strong wind from the south may cause the north wall to buckle at any time.

"The third storey wall," said Mr. King, "starting at the west, has moved out about three-eighths of an inch, and the wall above has moved about five-eighths of an inch. The top wall leans in as much as the lower floors bulge out. The building is unsafe for anyone to work in. There are cracks on the inside that have been covered up with paper. I have plumbed the walls and I am having a set of diagrams printed showing the cause of the trouble, and the position of the other walls."

Mr. King refused to give evidence in regard to the south wall until he had the diagrams with him, and as he cannot be pressed, it will depend on his own initiative whether the coroner secures his evidence.

Daniel Mr. King Directly after this statement had been made, S. G. Beckett, an architect, was called. He declared that there was no truth in Mr. King's allegations and that the building was as safe now as ever. The idea of the walls being so much out of plumb was ridiculous, said he. The walls have been under observation continually ever since the disaster, and no movement has been noticed.

The building inspector put issue paper over the cracks to see if the spaces were widening.

Ground Was Solid. Mr. J. E. Price of the city architect's department, stated that he had dug a well near the foundation of the wall and was perfectly satisfied that it was solid ground, and not made ground. His evidence corroborated the testimony of Mr. Beckett, both agreeing that the walls are in identically the same condition now as they were last Sunday.

In view of the uncertainty of the cause of the collapse, and on the advice of the mayor, Mr. Price said that City Architect McCallum has written the Neilson Company and instructed them to close the building until the coroner's jury makes a finding.

## JAFFS KEEPIN' JOHN BUSY



John: I wish you'd tell me, Mister, how me an' Th' Tidy's goin' to come out after followin' you for the bank merger an' then have you come out against it? I've got to show consistency in order to keep my vote to the Grand Order.

Jaff: Naw, naw, Pauline, as Meestress Bernhard says to Miles Napoleon in the play, "Ye can gang both ways like the Th' Globe, but naw he's a bit more of a th' glober. Day about th' plan. It took me forty year to find out how to box th' compass, John, but yince found, it's safe. Th' public likes to be hamstrung if ye dare fit to th' law legs. Balance aw' as they say in the lawyer. Ye can be for th' merger and naw for th' merger for down wif th' bars an' up wif th' parliament. But ye mean pit out yer chest when ye're doin' it. Pit out yer chest, John, pit out yer chest. An' watch me, John, how I'll be goin' to it. I'll be for it in days; no for it in next; but it'll be out on th' same, that's th' main thing. Are ye for melon, John?"

John: What kind of melon?

Jaff: It'll be for water melon, but ewest melon like Sir Tammas knows how to cut. I'll get ye a bit, John. If ye hae Th' Tidy take his course frae Th' Globe, Agin th' melon th' day, for th' melon th' mornin', John.

John: Say, best, you'll have me a bang chestnut one minute and a chestnut horse the next and I'll land in Bedlam.

Jaff: Naw, say, Pauline. Pit out yer chest, John, an' think o' th' melon that Sir Tammas made out for th' weary an' th' footsore the ye an' us.

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