

OFFICES FOR RENT—NEW C. P. R. BUILDING—KING & YONGE STS.

YONGE STREET OPPOSITE GOLD. 26 feet x 200 feet. A bargain for quick sale.

PROBS: Southerly winds local thunderstorms, but partly fair and warm.

Canadian Banking About Note Circulation

Before we discuss the banking question this morning let us state one or two facts: There is great need of money all over Canada today, and in no place is there such need as in this Province of Ontario.

So much by way of prelude. We now propose to take up this morning the matter of public circulation as represented by notes. We absolutely believe in the issue of these notes by the state, and the state alone; or at best by one bank on behalf of the state, as in Germany.

But first let us point out what a good many people forget or seem to have forgotten, and that is that the state now issues all money in the shape of notes. The silver belongs to the state, the bronze pieces belong to the state, and all bear the impress of the state—either the king's head or other insignia of sovereign power.

Now let us take a look at what it costs the banks to issue bank notes. It is a great privilege given to the banks, but under conditions that might make it expensive. It is expensive to issue bank notes; it must be expensive to loan them to borrowers, and what does it cost the banks to issue bank notes in this country?

Let us first ask the reader to recall that banks are free to issue a dollar in notes against the gold or silver capital, and let us take the case most recent in mind, that of the Imperial Bank, whose excellent report was discussed in this column the other day.

It is with considerable interest that we notice these articles as being reprinted in the newspaper press, especially in the west, where the money question is of great importance. And even bouquets are being thrown at the writer—a rather unusual circumstance.

Some kind friend will see that we are misrepresenting the case, but we do not think we are, and the only chance of having a high dividend to shareholders rests on the fact that the banks have other ways of making money, and especially the way of making money out of what they have on deposit. Going on our assertion above, that it is an expensive way of getting money, it would seem that it costs more to issue these notes than the banks can make out of them. If we only connect up the capital and the note issue as the available banking funds of the concern, no wonder rates of interest are high when

NORTH TORONTO ANNEXATION FAVORED BY CITY COUNCIL

By Vote of 10 to 8 Motion Was Passed Endorsing the Principle That Northern Town Be Taken Into City—Engagement of Traffic Experts Will Be Discussed To-night.

By a vote of ten to eight the city council endorsed the proposed annexation of North Toronto at their meeting yesterday afternoon. After a warm debate, which lasted over two hours, a motion of expediency, which was initiated by Mayor Geary, was finally carried.

The most contentious matter, however, proved to be the rejuvenated traffic question. This came up on the board of control's report, which advocated that the services of a permanent traffic official be secured and that \$25,000 be set aside to obtain additional expert advice on transportation matters.

Not only would there be \$100,000,000 of gold as security against this national note issue, but the whole resources of Canada would be behind the note issue; all its canals, its railways, its buildings, and its investments of one kind and another, and most of all, and which is the greatest worth, the resources of our country and the earning capacity of our people.

But there is a supreme objection to a note issue made by banks, and that is that the banks, or the weak bank, has no chance of existence now, if the larger ones care to turn against it and arrange among themselves, as they have already done, to shove the smaller bank's notes back through the clearing house for redemption every morning.

Two Ontario districts are holding conventions this week for Canada Temperance Act contests, instead of working under the Ontario law, which requires the extra majority to be effective.

The districts which are taking the lead in adopting the Canadian Temperance Act are Algoma, which holds its convention to-day at Thessalon, and Manitowlin Island, at Little Current.

A statement in yesterday's article might lead the reader to think that we intended to say that the shareholders of the Traders Bank had already given proxies to the directors who sanctioned the deal between that bank and the Royal. If that idea was conveyed, it was not our intention.

ROYAL PARTY BIDS FAREWELL TO TORONTO

Duke and Duchess of Connaught, Princess Patricia and Party Left for Niagara Falls Last Night—Duke Complimented the Toronto Police Force as Fine Body.

The Duke of Connaught bid farewell to "The Queen City" with the departure of the royal party by special train from North Toronto C.P.R. station last night. His train, composed of six private palace cars, pulled out of the North Toronto station at 11.35 p.m.

At 10.40 the royal party arrived at the station in three motor cars. The Duke and Duchess of Connaught and the Princess Patricia came in one of the motor cars, and Miss Pelly, Colonel Lowther, Capt. Buller and the rest of the party arrived in the others.

The royal party having bid good-bye to their hosts before leaving Sir William Mackenzie's residence were not accompanied by them to the station.

A crowd of about three hundred people were at the station to see the party off. Inspector Dilworth, Patrol Sergeant Grant and three policemen from No. 5 Division were present to maintain order.

Inspector Dilworth was invited into the duke's car, where he talked to the inspector for several minutes regarding the Toronto police force, whom he said he considered a fine body of men.

As the train drew out those assembled raised a hearty cheer, to which the duke responded by raising his hat. The royal party left for Niagara Falls, and from there will go to London, Guelph, Kingston and on to Montreal.

When the Labor Day Committee met last night in the Labor Temple for the purpose of considering whether a parade would be held this year, many delegates stood up and aired remarks in regard to Toronto's board of control. After it was shown that 99 per cent of the labor men were in favor of the turnout, the question arose as to where the parade should go.

SOCIAL VICE AN ECONOMIC PROBLEM

National Council of Women Considers Startling Statistics Dealing With Importation of "White Slaves"—Baby Farms as Method of Checking Child Murder.

LONDON, May 27.—(Special.)—That neither charity nor punishment can effect the banishment of the social evil, the question being an economic one, was the assertion of Miss Flora McD. Denison at this afternoon's session of the National Council of Women.

The report, prepared by Mrs. Gordon of Ottawa, and read by Mrs. Plumpton, said the "older sister" movement was being tried out successfully in London and other cities.

One report stated that 15,000 girls were imported into the United States and Canada for immoral purposes annually and that three times that number of native born girls also became victims of the social evil.

Mrs. Denison declared that the cause of prostitution was absolutely an economic one. Girls desired to dress attractively and could not do it on present-day wages. Technical training in public schools was urged as a remedy.

Mrs. Shortt thought a large number of girls who fall are defective. Having once fallen, in order to support their families, they are forced to continue in the same line.

As the train goes on, the public safety will insist upon precautionary measures being taken, and from year to year the experience gained will be the guide to be followed in such precautionary measures.

Beef Highest in 30 Years.

NEW YORK, May 27.—(Can. Press)—The highest price since 1882 was reached by beef in the wholesale market here to-day, when it sold at 13 1/2c a pound in bulk. It is said to mean from 1 1/2c to 2c a pound increase for prime meats at the retail butcher shops.

The primary cause of the high price, the wholesalers say, is the continued scarcity of cattle. Small retail dealers continue to talk of ruination of their business because consumers are greatly curtailing meat purchases.

CITY'S STAFF OF INSPECTORS IS INADEQUATE

Between 5000 and 7000 New Buildings Under Process of Construction at Present—Vibration Not Sufficient Cause of Neilson Building Collapse, Says Mr. Price.

The evidence of Supervising Inspector of City Buildings Price was the main feature at last night's further enquiry into the Neilson Building disaster before Coroner Graham and a jury at the morgue.

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MARRIAGE LAW BATTLE IN PROGRESS

Hearing Before the Supreme Court to Determine Whether Federal Power Can Set Aside the Authority of Provinces Brings Forth Strong Arguments by Counsel.

OTTAWA, May 27.—(Can. Press)—When the supreme court rose for the day, counsel for the promoters of the Lancaster marriage bill had not completed the presentation of their case.

The vital question involved is whether it lies within the competency of the parliament of Canada to legislate and enact a law on the subject of marriage, and for the hearing of the question the government has engaged the most prominent counsel in the country to support the promoters and to oppose them.

Questions arose in consideration of certain sections of the North America Act as to whether parliament could constitutionally legislate on the question and the supreme court has been asked for a specific pronouncement on the questions involved.

Continued on Page 7, Column 6.

NEED \$100,000 FOR MISSIONS

Presbyterian Executive Recommends That Large Sum Be Obtained for Work Among Koreans.

Recommendations of far reaching importance will be made by the Presbyterian Foreign Missions executive, which met here yesterday, to the general executive next week.

BRAKEMAN KILLED IN G.T.R. YARDS

E. Thornton of Belleville Fell Between Two Cars While Coupling a Freight Train.

While coupling cars on a freight that was being made up in the G.T.R. yards between Bathurst and Portland-streets at about 12 o'clock last night, E. Thornton, a married brakeman, employed by the Grand Trunk, whose home is in Belleville, was hit by one of the cars on the backing freight, and falling between two of them was instantly killed.

His body was taken to the morgue, where it will remain until an inquest has been held. His wife and relatives have been communicated with.

SET HOUSE AFIRE AS JOKE

NAGARA FALLS, Ont., May 27.—(Special.)—Declaring that he only set the house where his wife boards apart to frighten his life partner, with whom he has not lived for some time, Simon Bolitho to-day pleaded guilty to an arson charge before Magistrate Fraser. He was remanded till Wednesday for sentence.

ONE MORE FOR GOVIN

GASPE, Que., May 27.—Nominations for the deferred provincial election in Gaspe County took place here to-day, and resulted in G. Lemieux, Liberal, being elected by acclamation.

CALGARY'S POPULATION 61,000 CALGARY, Alb., May 27.—The police census in Calgary gives a population of 61,346, an increase since the Dominion census last year of 17,904.

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