

The Journal of Commerce

WEATHER: FINE AND WARM.

VOL. XXX. NO. 47

MONTREAL, WEDNESDAY, JUNE 30, 1915

THE BUSINESS MAN'S DAILY

ONE CENT

THE MOLSONS BANK
Incorporated 1852
Paid-up Capital \$4,000,000
Reserve Fund \$4,000,000
HEAD OFFICE, MONTREAL
COLLECTIONS.
Collections may be made through this Bank in all parts of the Dominion, and in every part of the Civilized World through our Agents and Correspondents. Returns promptly remitted at lowest rates of exchange.

THE DOMINION SAVINGS AND INVESTMENT SOCIETY
DOMINION SAVINGS BUILDING
LONDON, CANADA
Paid-up Capital \$1,000,000.00
Reserve \$225,000.00
H. PURDOM, K.C. President
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The Crown Trust Co.
145 St. James Street - Montreal
Paid-up Capital - \$500,000
A conservative trust company for the public's service, able and willing to act in any approved trust capacity.
Enquiries are cordially invited

FOREIGN EXCHANGE ADVANCES, BUT OTHER EXCHANGES LOWER

New York, June 30.—The foreign exchange market this morning was of a mixed character. Sterling advanced to 47 1/2% for demand drafts but continental exchanges recorded new low levels.

Cables	Demand
London ... 4.76 15-16	4.75%
Paris ... 5.67 1/2	5.68
Amsterdam ... 81 1/2	81
Stockholm ... 6.16	6.17

WANTS PEACE TERMS STATED.
London, June 30.—David Mason, Liberal Member of the House of Commons for Coventry, has given notice that he will ask Premier Asquith in the House on Wednesday, whether, in view of certain speeches by members of the German Parliament demanding speedy and honorable peace, His Majesty's Government will consider the advisability of stating more explicitly than heretofore the terms upon which a lasting peace would be possible should the opportunity of having such a happy consummation arise.

SWISS PEOPLE LEVY WAR TAX.
Bern, Switzerland, June 30.—By an overwhelming majority referendum vote of the Swiss people is in favor of an amendment to the Federal Constitution which would levy a special war tax to meet the added expenses incident to mobilization of the army for preservation of Swiss neutrality.

STARTING FOUR REPLIES TO THE AMERICAN NOTE.
Berlin, June 30.—The Foreign Office is understood to be working on four different drafts and trying to find one that will reconcile the viewpoints of Germany and the United States.

UNFILLED STEEL TONNAGE.
New York, June 30.—Unfilled tonnage of the Steel Corporation for June which will be made public in ten days, is expected to show an increase of 200,000 tons.

ROCK ISLAND PURCHASES.
Chicago, June 30.—Judge Carpenter has authorized Rock Island and receivers to purchase 20,000 tons of pig iron on the Iowa, Minnesota and Illinois division to cancel trackage contract with the Burlington branch line between Harlem and Rushville, Missouri, which was unprofitable.

STEEL PRODUCTS WILL ADVANCE.
New York, June 30.—It is expected that in the next few days the minimum prices of leading steel products such as wire nails, steel plates, bars and structural shapes will be advanced \$1 per ton. Leading steel companies have notified customers to this effect and expect them to place orders early.

N. Y. BONDS OFFERED AT 102.
New York, June 30.—Kuhn, Loeb & Company, Wm. Wood & Co., and Kidder, Peabody & Co., are offering the New York City 4 1/2 per cent, 50-year bonds at 102 and accrued interest and the serial bonds at varying prices, according to maturity from a 3 1/2 per cent. for one year bonds at 4.30 basis for 15 year bonds.

INTERNATIONAL PAPER DIVIDEND.
New York, June 30.—International Paper Company declared the regular quarterly dividend of 1/4 per cent. on preferred stock, payable July 15 to 31 of next month.

RUSSIANS LINES ARE STILL HELD INTACT
This is of Great Comfort to Western Allies as Germans Cannot Withdraw Any Troops

STILL CONCEDED GROUND
War Cables Contain Very Little Pertaining to the Western Situation, Except That Contained in Official Bulletins, and That is Very Contradictory.

(Special Cable to Journal of Commerce).
London, June 30.—Against the new lines taken up by the Russians, the Austro-German forces are striking heavily to-day, but have failed to break the Russian front at any point. The Russian withdrawal has left only a few square miles of Galician territory in their possession, while the Germans have re-occupied Mazow in Russian Poland.

DEMAND FOR SHIPS CONTINUES.
New York, June 30.—The demand for ships continues unabated and most shipbuilding companies are operating at capacity. Additional large orders will soon be closed. It is understood that Cramp Ship Building Company which is about the only company that has any available capacity to speak of will shortly close contracts for several vessels at prices that will give the country a large profit.

FRENCH HOLDING GROUND GAINED.
Paris, June 30.—The official communique says:—In the region to north of Arras, the night was marked by violent cannonading and infantry engagements. To the north of the Chateau de Curieux we made a slight advance. To the south of the Red Inn, a German attack was repulsed.

SPEED-O-METER COMPANY SHARES.
New York, June 30.—A syndicate headed by White, Weld & Co. and Hornblower and Weeks, which purchased 40,000 shares of Stewart Warner Speed-o-meter Company common stock, announce that about half the stock has been disposed of.

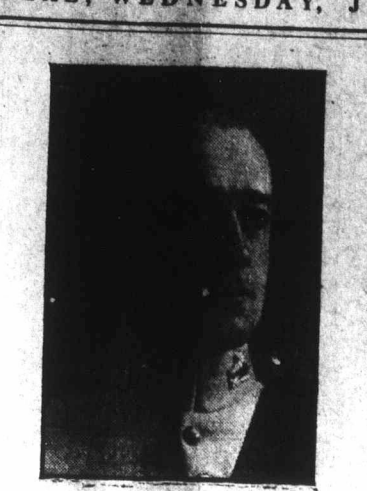
CRUISER'S DARING EXPLOITS.
Athens, June 30.—A cruiser from the Anglo-French fleet at the Dardanelles shelled the Turkish ammunition depot at Lidia, near Chesme on Monday, completely destroying it. Then the ship entered Chesme Gulf and shelled the lighthouse, destroying it and sank 14 ships. Before steaming away the cruiser bombarded trenches of the Turkish troops.

MONTREAL TRAMWAYS ANNUAL.
The annual general meeting of the Montreal Tramways Company will be held at 12 o'clock noon, Tuesday, August 3rd.

NAVAL BATTLE IMMINENT.
Berlin, via Amsterdam, June 30.—A naval battle in the Adriatic Sea is imminent, according to advices from Vienna. Despatches state that Austrian fleet has left its base at Pola and has sailed to attack the Italian warships.

DUTCH LINER RAMMED.
Dover, England, June 30.—The Dutch liner Nieuw Amsterdam, bound for the United States from Rotterdam, but held up by the British in the Downs, was rammed by another vessel while at anchor early to-day, and badly damaged.

TWO NORWEGIAN STEAMERS SUNK.
London, June 30.—Two Norwegian steamers, the Cambskenneth and the Gjese, have been sunk by a German submarine.



D. R. McCUAIG, D.S.O.
Of the Montreal Highlanders, who, in the face of the greatest difficulties, extricated his battalion from an untenable position.

DOMINION DAY.
To-morrow being the forty-eighth anniversary of Confederation, and a statutory holiday, the Journal of Commerce will not be issued.

Men in the Day's News
The Duke of Sutherland, whose fine Scottish home, Dunrobin Castle, was recently destroyed by fire, is the fifth duke, although the earldom of Sutherland goes back to the thirteenth century. The Duke owns some 1,308,000 acres of land and has also extensive landed interests in Western Canada. Dunrobin Castle has been in the possession of the family for seven hundred years, being the oldest secular building inhabited and used by the same family in all Scotland and was a particularly fine structure.

Mr. H. Gordon Strathy, the well-known Montreal broker, has just celebrated his sixty-ninth birthday. He was born at Kingston, Ont., and educated in the schools of that city. Mr. Strathy commenced his business career in the Bank of Montreal, but early in life decided to go into business on his own account and purchased a seat on the Montreal Stock Exchange. He is one of the oldest members on the local "Street." Having been a member of the Exchange since 1871, Mr. Strathy is an ex-chairman of the local exchange and is head of the firm of Gordon Strathy & Co.

Major Douglas Rykert McCuaig, of the Thirteenth Canadian Battalion, who has just been made a companion of the Distinguished Service Order for conspicuous gallantry in the field, is one of the best soldiers that Canada has produced in recent years. Starting as an artillery officer he afterwards joined the 5th Royal Highlanders, in which corps he was second in command when the war broke out. Major McCuaig devotes most of his leisure hours to a perusal of books bearing on military matters and is, as a consequence, particularly well versed in matters appertaining to the branches of the service in which he has had practical experience. Major McCuaig's chief recreation is polo, a game in which he has proven himself an expert player.

Col. John A. Currie, who possesses the distinction of being the only Canadian member of Parliament to experience the thrills of the trenches during an actual engagement, has been an officer in the militia for a great many years. When the 4th Highlanders were organized in Toronto about twenty years ago he qualified as a captain and from that position advanced to the command of the regiment. Col. Currie started his life as a newspaper man, but, having made some money in the Rossland boom, he subsequently went into industrial enterprises of various sorts. Col. Currie is now on sick leave in the Highlands of Scotland, his right lung having been seriously scorched in the third gas storm at Ypres.

Lord Newton, Paymaster-General in the newly-organized Asquith Administration, is commonly known as the Labouchere of the House of Lords owing to the breeziness of his clever speeches. Lord Newton is head of the ancient House of Legh, in Lancashire, and in addition to being a distinguished statesman is a writer of marked ability, his biography of Lord Lyons being an especially able effort. According to the Marquis de Fontenay Lord Newton has a very poor opinion of the House of Lords. He once described it as "a sort of hybrid between a registry office and a debating society," and again characterized it as "infinitely the most good natured, long-suffering assembly in existence—the place where the biggest bore might die without ever discovering that he was anything but the most acceptable speaker in the House."

Mr. Edward Arnold, of Montreal, who has just been elected President of the Freight Claim Association, comprising all the freight claim agents of Canada, United States and Mexico, is a Grand Trunk man, who has grown up with the system. Born at Kingston, he entered railway service thirty-years years ago as telegraph operator at the Grand Trunk Station at Lachine, filling similar positions later at other points on the line. From a clerkship in the Traffic Department at Chicago, he became Lost Freight Agent at Battle Creek, Mich. There he earned for himself a reputation as an authority on all matters relating to this important phase of the transportation business, and in 1908 came to Montreal as Freight Claim Agent for the system, a post which he has held continuously since that time.

APPEAL TO PEOPLE DIRECT FOR WAR LOAN
Many Would Like to See Canada Follow Example of Britain in This Respect
READY CASH SECURED
But Unless There are Special Facilities Provided for Enabling Man in Street to Meet His Subscription, Movement Could Not Be Made General.

(By H. M. P. ECKARDT.)
Already there have been suggestions in our financial press to the effect that Canada should follow the example of the British Government in making a direct appeal to the people for subscriptions to a national war loan. The purpose of this article is to bring out further points in line with the suggestions just referred to. In the first place it might be said that Canadians wishing to support the Imperial finances during the present struggle might do so through subscribing to the big British loan. No doubt there will be some important subscriptions from Canada to this loan. The banks and other institutions, and some of our capitalists will take round amounts, but unless there were special facilities provided for enabling the man in the street to subscribe and pay for a small share, it is not to be expected that there will be any general movement here. In England arrangements have been made whereby subscriptions may be entered at any post office; the small savers are permitted to pay in five shillings, their payments certificates or vouchers are exchangeable into the regular bonds in lots of £5. If no special arrangements of this nature are made in Canada, only a few of our people will interest themselves in the loan. For the ordinary person here the transaction of sending the money over to London and receiving the dividends or interest payable there is too complicated. So far as the banks and our capitalists are concerned, the low rate prevailing for sterling exchange serves to make the war loan bonds yield slightly more than 4 1/2 per cent. According to exchange rates presently prevailing in New York a subscriber at that point could buy a bond worth \$486 in England for about \$477—in other words he gets in at a discount of nearly 2 per cent. A subscriber in Canada, however, must pay the premium on New York funds, which ranges from 1/4 to 3/4 per cent, before he can get his money to New York to take advantage of the low sterling rates prevailing there. This serves to make a difference of from 3 to 4 cents per pound sterling—the Canadian subscriber would pay from \$480 to \$481 for a bond worth \$486 in England. Thus we would get in at a discount of about 1 1/4 per cent. So the net yield for our subscribers would be a little above 4.5 per cent.

It is to be remembered that these bonds are subject to the British income tax, which ranges from six to ten per cent. of the annual income derived. With this deduction the net yield to a Canadian subscriber would be somewhere around 4.20 per cent. However, there would be something anomalous in Canada's lending money in this way to the British Government, while that Government is at the same time lending something like \$10,000,000 per month to our government to cover our military expenditures. It would be much simpler if, as suggested in some other quarters, the Dominion Government issued a popular loan in Canada with the object of lessening or reducing our demands on the British Government for financial assistance. By financing ourselves to a large extent we should be upholding the Imperial finances just as much as if we sent over large sums in the form of subscriptions to the British loan.

Some of our financiers are of the opinion that with big crops this year the banks here will have all they can do to finance the harvest movement this fall, and that it is not advisable to commit our liquid resources into a permanent loan to either the British or Canadian Government. If it is considered that the financing of the 1915 crop may involve us in difficulties, though this is doubtful in view of the heavy cash reserve now carried by the banks, perhaps plans might be laid for a Canadian issue in the home market subsequent to the completion of the crop movement. With reference to the subject of popular loans, the New York Evening Post gives some interesting details of the methods followed in the United States when the great popular loans during the Civil War were floated. In that case the objection now urged in Canada against any plan of domestic issues—that the bank deposits would be depleted—was strongly urged, but events proved that the fears of the bankers were unfounded. Briefly the United States Government peddled coupon bonds in large and small denominations, by means of an army of canvassers, in all the towns and villages of the Union. There were 2,500 canvassers, and it is stated that before the experiment was tried nobody imag-

The Canadian Bank of Commerce
Head Office—TORONTO
Paid-up Capital - - - \$15,000,000
Reserve - - - - - 13,500,000

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WITH BRANCHES THROUGHOUT CANADA AND IN THE UNITED STATES, ENGLAND AND MEXICO, AND AGENTS AND CORRESPONDENTS THROUGHOUT THE WORLD, THIS BANK OFFERS UNSURPASSED FACILITIES FOR THE TRANSACTION OF EVERY KIND OF BANKING BUSINESS IN CANADA OR IN FOREIGN COUNTRIES.

Collections Effected Promptly and at Reasonable Rates

CANADA NOT RECEIVING SHARE OF WAR ORDERS SAYS BORDEN
New York, June 30.—Sir Robert L. Borden, Prime Minister of Canada, who sailed on the Adriatic, said: "I have not been called to England by the War Office, but am going of my own volition for safer and fuller conference with the heads of departments. 'I expect that Canada will be able to muster about 500,000 more men to go to the front. I expect to hold several important conferences with the heads of the War Department over the placing of orders through J. P. Morgan and Company, in America. These orders have nearly all been placed in the United States, and Canada seems to have been neglected.'"

ENEMY MUST BE CRUSHED, SAY RUSSIAN PREMIER.
Petrograd, June 30.—An Imperial rescript issued by Premier Goremykin, says: "The enemy must be crushed before peace is possible. With firm faith in the inexhaustible strength of Russia, I anticipate that the government and public institutions and all faithful sons of the Fatherland without distinction as to classes, will work together in harmony to satisfy the needs of our valiant army. I rely on the Council of Ministers to draw up accordingly to my indications bills made necessary by length of war."

MAY TRY TO RESTORE PEACE.
Geneva, June 30.—There is a possibility that the Vatican and the United States Government may cooperate in an effort to restore peace in Europe. It was learned here from an authoritative source that the idea has already been suggested unofficially, and it is certain that Pope Benedict is heartily in favor of it.

It is noted that great sums of available money were in existence. The results were that the American Government got nearly \$400,000,000 in the first canvass, and later in the war, by similar methods, \$830,000,000 more were obtained within four months. When it is remembered that this was in the early "sixties," the population and wealth of the United States being nothing like they are to-day, one naturally concludes that if similar methods were used in Canada a very large amount of ready cash would be secured. In the American case, while the great subscriptions were being paid into the national treasury, deposits in American savings banks, so far from falling, rose from \$206,000,000 to \$242,000,000. Possibly the same thing might be seen here in the event of a big national loan. Even if there should be a slight fall in our deposits that would not cut much figure against the strengthening of our home finance and the finances of the British Government. After all the great point is to keep the British and Canadian financial systems strong and sound, so that they may give a maximum degree of assistance in connection with the military and naval operations designed to resist and overthrow militaristic Germany. Our action in successfully carrying through a large domestic loan for this purpose would be fully appreciated in England in just the same way as the dispatch of the various Canadian expeditionary forces is appreciated. And after the war we may be sure that British capital will pour into the Dominion on a very large scale—perhaps greater than we have ever seen.

AN IDEAL NEWSPAPER FOR MEN OF AFFAIRS

"I have been receiving the Journal for a month or two now, and I feel I ought, in tendering my thanks for the opportunity afforded me to read it, to tell you how greatly pleased I am with it. Through three days old when it arrives here, I find it full of most interesting news concisely told, and above all I like its admirable editing which in every field of importance gives us only the things that matter. It is an ideal newspaper I think for men of affairs, sane and informing, and I heartily wish it the success and prosperity it deserves, and will surely attain wherever it becomes known."

The above letter, written by a western business man on June 8th, is typical of many letters being received by the Journal of Commerce.