

WEATHER: Fair and Colder

The Journal of Commerce

THE BUSINESS MAN'S DAILY ONE CENT

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MONTREAL, WEDNESDAY, DECEMBER 30, 1914

THE MOLSONS BANK Incorporated 1855 Capital Paid Up \$4,000,000 Reserve Fund \$4,800,000

Reserve Your Table Now for the Ritz-Carlton New Year's Eve SUPPER Thursday, December 31st AT 11 p.m.

THE MENACE OF PAPER CURRENCY IN VIEW

Some World Have the Federal Government Work the Presses Over-Time

C.N.R. AFTER FUNDS

Interests Behind Road Expect Government Aid to Realize in Some Way Upon Bonds Guaranteed at the Last Session.

Sir William MacKenzie and Vice-President D. R. Hanna, of the Canadian Northern Railway Company, have gone to Ottawa to ask for additional help with respect to the bond guarantee of \$45,000,000 granted to them by Parliament last summer.

It is an open secret that the Canadian Northern is hard pressed for capital, and it is seeking to lay its troubles and its burdens upon the government and the people of this country.

What Does the C. N. R. Expect? Sir William MacKenzie evidently expects the government to aid the railroad to realize in some way upon these guaranteed bonds.

Canadian Legal Tenders. One of the gravest dangers that the people of Canada have to face to-day is the demand in certain quarters that the printing presses shall be set at work turning out paper money.

Two Sets of Prices. Indeed, we should have two sets of prices in Canada—gold prices and paper prices. Business

(Continued on page 5.)

FRENCH PROGRESS ON GERMAN CENTRE

In North Fighting is at Standstill Due to Storms; East of Argonne Allies Rush Forward

DEVELOPMENTS IN VOSGES

Russians Give Stinging Blow to Austrian Forces—Lloyds Underwriting Possibilities of War With United States and Norway—Austro-German Losses Terrific in Poland and Galicia.

(Special Cable to The Journal of Commerce.) London, December 30.—With fighting in the north almost at a standstill, because of terrific gales and storms, the French have made further progress against the German centre and in the Vosges. At the same time on the eastern front the Russians in Galicia have given the Austrian defence a great blow, while more than holding their own elsewhere on the battle line.

In France the slight hold the Germans have on the Meuse about St. Mihiel has been further weakened by French success on the eastern side of the forest of Argonne. Here the positions captured by the French have been consolidated, and by mining operations they are working forward for further gains.

That the Germans are beginning to be impressed by the seriousness of the French operations in Alsace, is indicated by an official statement from Berlin, announcing that important news may be expected at any time from the Vosges, declaring that the French have concentrated strong forces on the line of the frontier fortresses from Nancy to Belfort, preparatory for an advance, eastward across the border.

The protest of President Wilson regarding the British policy concerning contraband is attracting as much interest here as the news from the battlefields. The friendly tone of the note is recognized, and it is believed that a satisfactory arrangement will be effected. At Lloyds policies are being underwritten on the possibility of war in the United States. To pay a total loss in event of declaration of war between Great Britain and America within twelve months from date is the undertaking written in these policies, for which a premium of fifteen guineas is paid.

Despatches from Rome state that a German army corps is about to be sent to Southern Trentino, on the Italian frontier. The Italian occupation of Avlona, the Albanian port, is said to have caused much irritation in Vienna.

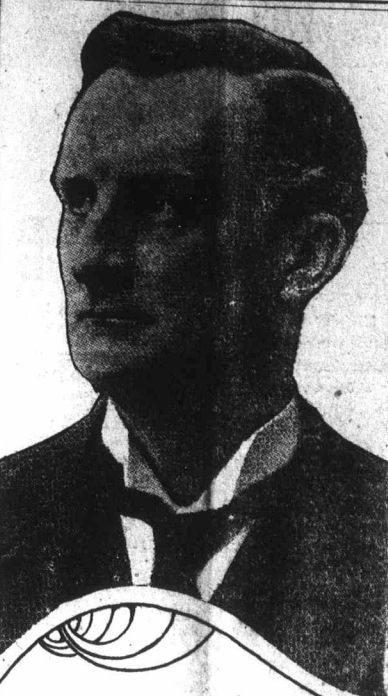
Both Berlin and Vienna concede that the Russians have been victorious in the most recent fighting in Galicia. An official Austrian statement indicates the extent of the Russian successes in Galicia by the admission that the troops on the entire eastern Austrian front have been forced to withdraw, and also those in the Plain of Gorlice, east of Nowy Sanced. Western Galicia has been made a sea of mud, but the Russian advance there is continuing.

PROSPECT FOR \$10,000,000 YEARLY PENSION FUND FOR CANADA

(Special to The Journal of Commerce.) Ottawa, December 30.—It is estimated that over \$20,000,000 has already been expended on war contracts by the Dominion. This amount covers over 5,000 contracts and 150 commodities, including uniforms, boots, etc., wagons, trucks, tarpaulins, tents, rifles, ammunition, bicycles, etc., etc.

Several hundred Canadian firms have benefited by these contracts and many thousand employes. This large sum does not include the pay of soldiers, separation allowances, etc., which total up to a heavy amount.

It is estimated that even when the war is over Canada will be faced with an annual expenditure of \$10,000,000 for pensions alone.



SIR EDWARD GREY, Great Britain's Foreign Secretary, who may be trusted to successfully settle the demands made upon Britain by the United States.

TURKS PURSUE RUSSIANS. Constantinople, December 30.—An official statement says: "The pursuit of the Russians in the Caucasus is progressing. Large numbers of prisoners and much war material have been taken."

Men in the Day's News

Mr. C. E. E. Usher, who has just celebrated his fifty-seventh birthday, is one of the best known railway men in the country. He was born at Niagara Falls, in 1857 and entered the services of the Great Western Railway in 1874.

F. F. Pardee, M. P. for West Lambton, who was forty-seven years old yesterday, is Chief Whip for the Liberal Party. He was born at Sarnia, Ont., on the 29th December, 1867, educated in Sarnia and at Upper Canada College. He was a member of the Ontario Legislature for four years from 1898 to 1902 and first elected to the House of Commons in 1905 and re-elected in 1908 and 1911.

A. E. Stevens, the new general superintendent of the Alberta division of the C. P. R., began his career with that company as a telegraph operator in 1886. Shortly thereafter he was engaged in the same capacity. In 1903 he was promoted to the position of chief train dispatcher on the Mountain division with headquarters at Nelson, B.C.

Elias Rogers, the well-known authority on coal mining, who has been elected vice-president of the Imperial Bank in succession to F. G. Howland, elevated to the presidency of that institution, is among the most respected merchants in Toronto. Born at Newmarket, Ont., in 1859, his first business experience was gained as a lumberman, but he soon turned his attention to coal. In connection with this trade he gained much of his wealth and influence.

Mr. J. Murray Gibbon, who is to address the Montreal Press and Advertising Club this evening on "Art and Advertising," is advertising manager of the Canadian Pacific Railway. Mr. Gibbon was born in Scotland, educated at Aberdeen University and at Christ Church, Oxford. Before coming to Canada, about two years ago, he did effective work for the Canadian Pacific Railway in London and at St. Petersburg.

Lieut.-Colonel G. H. Baker, M.P., who has been placed in command of the Montreal Regiment of Mounted Rifles and who has started recruiting for the same, is one of the youngest men in the House of Commons. He was elected at the election of 1911 for the County of Brome, defeating the Hon. Sydney Fisher, Minister of Agriculture in the Laurier Government. "Harry" is a lawyer by profession, but devotes a considerable portion of his time to military matters, being Colonel of the 13th Scottish Light Dragoons. His regiment has won the Turner Efficiency Shield every year since it was first offered and last year at Petawawa took first place in competition with all the cavalry regiments of Eastern Canada.

Lieut.-Col. William Alexander Logie, of Hamilton, who is to be temporarily in command of the militia at Toronto in succession to General Lessard, is not only a good soldier but a successful business man. It was the combination of these qualities which gained him preferment in the present instance. A lawyer by profession, he won the gold medal in classics at Queen's University in 1888, gaining his LL.B. four years later. In 1890 he became a barrister with honors. Colonel Logie entered the volunteer militia in 1883, and rose to the rank of captain in the famous 13th regiment of Hamilton. In 1903 he assisted in organizing the 91st Highlanders, and accepted the command of the new corps as Lieutenant-Colonel. He retired from this command in 1909. He holds the long service decoration, and is Vice-President of the Canadian Military Institute, Toronto.

TARIFF TREATIES THE BASE FOR WAR

German War Party Determined Through Austria to Smash Serbia and Gain Balkan and Turkish Support

RUSSIAN WAR INEVITABLE

Let Americans Consider This Meaning—A German War Over Commercial Tariffs—See What This Would Lead to—Example of America in Putting up Tariffs Against Germany Has Been Followed by Other Nations.

(Second Article on the War and Causes Leading up to it by C. W. Barron, President of the Wall Street Journal.)

New York, December 30.—For the causes of this most audacious war of 1914, one must not only study Germany and her imperial policy, but most particularly her relations with Russia, which relations are very little understood in America, but become vital to us when they are open to public view.

Disregarding all the advices of Bismark and the previous reigning Hohenzollerns, the present Kaiser has steadily offended Russia, with whom war within two years was inevitable, irrespective of any causes in relation to Serbia. Russia knew this and was diligently preparing for it. Germany—the war party of Germany—knew it, and with supreme audacity determined through Austria, to first smash Serbia and put the Balkan states and Turkey in alignment with herself for this coming war with Russia.

Sergius Witte is one of the great statesmen of Russia. It is he who formulated the Siberian railroad programme and Russian Asiatic development. The party of nobles opposed to him arranged that he should receive the humiliation of an ignoble peace with Japan, under which it was expected that Russia would have to pay a huge indemnity.

But when Witte arrived at the naval station by Portsmouth, New Hampshire, to make the famous treaty with Japan, his first declaration was, "Not one kopeck for indemnity." He won out and returned in triumph to Russia.

But during the progress of the Japanese war Germany thrust her commercial treaties upon St. Petersburg. Goods from Russia into Germany were taxed, and German goods went under favorable terms into Russia, with the result that Russia has had a struggle now for ten years to keep her gold basis and financial exchanges.

It was Witte who was sent to Berlin to protest against this proposed treaty and secure more favorable terms. Witte made his protest and refused to accept the German demands. Then suddenly he received peremptory orders from the Czar to grant all the demands of Germany. The Czar declared Russia was in no condition to have trouble with Germany. These commercial treaties expire within two years. Russia many months back proposed the discussion of new terms. Germany responded that the present treaty was satisfactory to her, and she should call for its renewal.

War With Russia Was Inevitable. This meant either further humiliation to Russia or war. Russia had already suffered the affront of being forced by Germany at the point of the bayonet to assent to the taking by Austria of Bosnia and Herzegovina in violation of the Treaty of Berlin.

Let Americans consider what this means—A German war over commercial tariffs—and see what it would lead to. The German nation is a fighting unit under the domination of Prussia, the greatest war state not only of the empire, but of the world. Having welded Germany by the Franco-Prussian war into a nation with unified tariffs, transportation, currency and monetary systems, Prussia has been able to point to the war as the cause of phenomenal prosperity of Germany.

It is a popular fallacy in Germany that militarism makes the greatness of a nation. Germany's prosperity did not begin with the war of 1870. This was only the beginning of German unity which made possible unified transportation and later unified finances and tariffs. Several years after the war France, which had paid an indemnity to Germany of a thousand million dollars, or five billion francs, was found to be the establishment of Bismark, more prosperous than Germany, which had thus received the expenses of her military campaign and a dot of war reserve moneys in her Spandau Tower.

Finance and Tariffs Made Germany Great. In 1875 came the great Reichsbank Act, which consolidated the finances of the empire. Then came her scientific tariffs which put up the bars here and let them down there according as Germany needed the export or import trade in any quarter of the earth. The German people on a soil poorer than that of France, worked hard and long hours for small wages. But they worked scientifically and under the most intelligent protective tariff the world has ever seen. In a generation they built up a foreign trade surpassing that of the United States, and reaching \$4,500,000,000 per annum. By her rate of progress she was on the way to distance England, whose ports and business were open to her without even the full English income tax. She built the biggest passenger steamers ever conceived of, and reached for the freight carrying trade of the world. She mined in coal and iron and built solidly of brick and stone. She put the world under tribute to her cheap and scientific chemistry. She dug from great depths the only potash mines in the world, and from half this potash she fertilized her soil until it laughed with abundant harvests.

The other half she sold outside, so that her own potash stood her free and a profit besides. No nation ever recorded the progress that Germany made after the inauguration of her bank act, and her scientific farms. The government permitted no waste of labor, no disorganization of industry. Capital and labor could each combine, but there must be no prolonged strikes, no waste, no loss; there must be no prolongedly together, and for the upbuilding of the empire. Germany did not want war. She wanted the fruits

(Continued from page 1).

The Canadian Bank of Commerce

Head Office—TORONTO Paid Up Capital \$15,000,000 Rest 13,500,000

Board of Directors: SIR EDMUND WALKER, C.Y.O., LL.D., D.C.L., President Z. A. LASH, Esq., K.C., LL.D., Vice-President John Hoak, Esq., K.C., LL.D., D.C.L. Sir Leman M. Jones Sir John M. Gibson, K.C.M.G., K.C., LL.D. Frank P. Jones Esq. William Farwell, Esq., D.C.L. Charles Colby, Esq., M.A., Ph.D. J. W. Flavell, Esq., LL.D. A. Singson, Esq. Hon. W. C. Edwards, Esq. E. R. Wood, Esq. G. F. Galt, Esq. Robert Stuart, Esq. Gardner Stevens, Esq. Alexander Leitch, Esq. C. C. Flamerfelt, Esq. G. G. Foster, Esq., K.C. H. J. Fuller, Esq. George W. Allan, Esq.

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Collections Effected Promptly and at Reasonable Rates

The Crown Trust Company 145 St. James Street, Montreal Paid-up Capital \$500,000.00 A trust company for the public's service, able and willing to act in any approved trust capacity. Inquiries invited. Irving P. Rexford, Manager

STEAMER NAVARRA WILL PROVE A TOTAL LOSS

(Special to The Journal of Commerce.) Yarmouth, N.S., December 30.—The large steamer Navarra (2,867 tons) from St. John for the United Kingdom with hay, oats and army supplies, is ashore on Holmes Island, one of the tusket islands, and about twenty miles from Yarmouth.

She struck during the dense fog last night. The tugs have just left for the scene.

Yarmouth, N.S., December 30.—The tug Hugh D. has just arrived from the wreck of the Navarra. She reports the vessel a total loss.

The bottom is evidently gone and she is full of water. At high tide her main deck will be awash. The crew is still by her but will be taken off soon.

MONTENEGRINS DEFEAT AUSTRIANS.

Cettinje, Montenegro, December 30.—An official communication given out to-day, says: "On Tuesday Austrians attacked Montenegrians along the line in Herzegovina, in order to drive them from their positions, but the attacks were repulsed. The Austrians lost many in killed and wounded. Three Austrian aeroplanes flew over the Montenegrin camp at Garevo and dropped bombs, but were driven off before they could do any extensive damage."

GERMANS STRIVE TO RETAKE POSITIONS THEY HAVE LOST.

Berlin, December 30.—(By wireless).—Official 2 p.m. statement follows:—"In the western theatre of the war we are still fighting for the hamlet of St. Georges, southeast of Neuport, which we were compelled to evacuate owing to a surprise attack. "A storm, culminating in cloudbursts, damaged the positions on both sides in Flanders and Northern France. "On the rest of the front the day passed quietly. "In East Prussia, the Russian cavalry has been driven back in the direction of Kilicallen. "The situation is unchanged in Poland on the right bank of the Vistula. Our offensive continues on the west bank of the Vistula and the east bank of the Bzura. "Fighting continues on the east bank of the Rawia and also at Inowloz to the southeast. "Reports from outside sources give the impression that Lowicz and Skierniewice are not in our possession. We captured these places over six days ago. Skierniewice is situated far behind our front."

Gift account? CITY AND BANK Bank but it is All sensible the outward judgement. FOR THE THRIFTY DISTRICT

PERANCE, Manager. will help you to save.

ON PUBLIC UTILITIES work formed last week. will be connected with Trenton by J. The contract for the line has Trenton, Lakewood and Seacoast Railroad Engineering Co. The line Point Pleasant through Lakewood and Yardville to Trenton, a distance of

County of Ohio has been asked to re-involving a five-cent fare between a suburb of Cincinnati, and the heart of the city, over the Interurban Railroad and the Rapid Railway Companies, through Receivers Charles H. riles S. Thrasher, sought to bring the Circuit Court of Hamilton County, cent fare ordinance passed by the village Ridge before being annexed by Cincinnati.

business will warrant increased call as (Texas) Automatic Telephone Co. 000 in improved equipment labor and thin ninety days after the first of this the expenditure the company to increase its number of subscribers to 500. Several cable extensions to en- of the company's facilities are plan- will be made to the Southern Meth- Employment for at least 1000 em- ished by the company in carrying ment schedule. Twenty men are in soliciting department, about twenty department, thirty in the instru- ten in the mechanical depart- matic advertising campaign will be with the completion of improvements. ment will amount to \$40,000. Ma- remainder of the proposed expenditure and construction.

JARVIS & COMPANY us Jarvis and Company officially ad- sulation of the partnership which has al years under that firm name. Oakley and Morgan Jellett retire, ship is continued by Messrs. Acem- A. D. Morrow, under the firm name Jarvis and Company."

AMUSEMENTS. JESTY'S 15c. - 25c. DEL. S. LAWRENCE STOCK COMPANY The Girl In The Taxi "A FOOL THERE WAS."

THE MAPPIN STANDARD The Mappin Standard in Jewelry, Silver and Plated ware, Cut Glass and Leather Goods is internationally known as the highest degree of excellence in quality, design and workmanship. An inexpensive gift as a New Year's token purchased at this Big Gift Store carries with it the Mappin mark of distinction—a gift worth while. There is an exhaustive stock of fine presents here awaiting your inspection. "The Big Gift Store" MAPPIN & WEBB CANADA LIMITED St. Catherine St. At the Corner of Victoria