

WEATHER: FAIR AND WARM

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The Journal of Commerce

THE BUSINESS MAN'S DAILY

MONTREAL, THURSDAY, JULY 29, 1915

ONE CENT

The MOLSONS BANK
Incorporated by Act of Parliament, 1855
Paid-up Capital \$4,000,000
Reserve Fund \$4,800,000
HEAD OFFICE: MONTREAL

The DOMINION SAVINGS INVESTMENT SOCIETY
DOMINION SAVINGS BUILDING
LONDON, CANADA
Capital \$1,000,000.00
Reserve 225,000.00

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.

BRAZILIAN COMMON DIVIDEND IS REDUCED TO 4 PER CENT

It is officially announced that Brazilian Traction common stock will be placed on a four per cent. dividend basis against the six per cent. rate that has been maintained.

Table with 3 columns: Month, 1914, 1915. Rows for Jan, Feb, Mar, Apr, May, Jun, Jul, Aug, Sep, Oct, Nov, Dec.

A reduction of the dividend from 6 to 4 per cent. will mean a saving of \$2,080,000 a year.

MUNICIPAL TRACTION OWNERSHIP IS IN SIGHT FOR DETROIT CITY.

The Board of Street Railway Commissioners at Detroit has approved a contract for the purchase of the lines of the Detroit United Railway within the one-block street car zone, so-called whereby the city will obtain control of the system at a price to be fixed by the circuit judges of Wayne County.

ORDER 800,000 RIFLES.

New York, July 29.—Contract for a second order of 800,000 rifles will be closed shortly by the Westinghouse Electric and Manufacturing Co., according to the following statement by Chairman Guy Tripp:

LEVIES FINE ON BRUSSELS.

Brussels, via London, July 29.—A fine of \$1,000,000 has been levied on the Belgian city of Brussels by the German military authorities because of the destruction recently of a Zeppelin hangar at Evers by aviators of the Allies.

NEWSPAPER GIVES MACHINE GUN.

London, Ont., July 29.—The London Free Press and its employees are donating a machine gun to the 23rd Battalion, which is in training here under Lieut.-Col. W. J. Wilson, for overseas service.

WAR LOAN ISSUE.

London, July 29.—Price of new war loan is 93 1/2.

GERMANS HALTED BY NEW OFFENSIVE

Enemy's Phalanxes Stopped at Gates of Warsaw by Effective Blows of Russians

HUN STRATEGY FAILED

Instead of Weakening His Forces When Riga Was Threatened, Grand Duke Nicholas Ordered Reserves to Defence of Warsaw.

(Special Cable to Journal of Commerce.)

London, July 29.—Grand Duke Nicholas has delivered blows of surprising strength and effectiveness against the Kaiser's two great commanders, Field Marshal Von Hindenburg and Field Marshal Von Mackensen, and has halted the solid phalanxes battering at the defences of Warsaw both north and south.

How he did it is not known here, but it is clear that the Russian Commander-in-Chief has been able to enter upon a new offensive campaign against the Germans on all the battle front from the River Narva in the north to the Lublin-Cholm line in the south.

A week ago, military observers here regarded the fall of Warsaw as a certainty. To-day they are strongly hopeful that the reinforced Russian army will be shown to have displayed the greater skill and that the Kaiser's fourth great drive for the capital of Russian Poland will end, as did three others, in failure.

Repulsed Six Times.

The fighting is of the most furious character at all the points of contact, but with the greatest savagery displayed in the Narva River region. On this sector the Germans have refused to admit defeat, and six times they advanced to the attack near Sereck in the last two days, only to be driven back each time.

That the Germans have been surprised by the unexpectedly strong resistance encountered is indicated by the fact that they are diverting the troops sent into the Baltic provinces to the south to reinforce Field Marshal Von Hindenburg at the Narva.

Recent developments tend to the belief that the German raid towards Riga was designed to lead the Russians into a false manoeuvre. It was hoped in Berlin that the Grand Duke would send troops to the north to defend Riga, and thus weaken his forces defending Warsaw.

Instead, the Grand Duke ordered that Riga be evacuated and sent his reserves to the trenches holding the approaches to the capital of Russian Poland.

The Russian aggressive south of Warsaw has resulted in driving the Austro-German forces from several villages after three violent battles on the heights north of Maidane and Ostrowsky.

A survey of the situation on the Russian battle-front by military observers here gives rise to the opinion that the greatest danger the Russians have to fear is that Field-Marshal Von Hindenburg may succeed in cutting the Petrograd-Warsaw railroad. Apart from that menace the situation for the Czar's forces is no more unfavorable now than it has been in the previous German attacks on Warsaw, and as a matter of fact, the Teutonic allies are not now as close to Warsaw as they have been at other periods of the war.

French Advance in Alsace.

There has been little of importance reported from the western front in the last twenty-four hours. The French, who are steadily progressing in the Aisne operations, report that they have pushed the Germans further back in the region of Lingkopf, and have occupied enemy blockhouses east of Lingkopf and Schatzmannelle.

The official French communique says: In the Argonne there was fighting with bombs and torpedoes. In the region of Bacastelle and at Courte Chaussee near St. Hubert, as well as in the forest of Melancourt, we blew up numerous German posts.

In the Vosges at Lingkopf in positions conquered by us on July 12, were found a hundred German bodies, two rapid fire guns, 200 rifles, and a great quantity of munitions and equipment. German troops left on the ground at Barrenkopf more than 400 dead. The exact number of German prisoners taken in the course of recent conflicts on July 27 and 28 is 211.

ELECTRIC BOAT REORGANIZATION.

New York, July 29.—The reorganization plan of the Electric Boat Co. provides for the issue of approximately 765,710 shares of new stock, which will be exchanged on the basis of 10 shares of new stock for one share of old stock.

The present common stock, which amounts to \$4,999,500, and preferred \$2,667,500, will be treated alike in exchange to be made. New stock will have no par value.

If the present plans are carried out the new stock will receive dividends at the rate of 4 to 5 dollars a share annually. On the basis of prospective earnings the company could pay 6 dollars a share annually and there would remain a surplus of close to 10,000,000 dollars a year for some time, which could be applied either to new construction or extra dividends.

Orders on the books of the Electric Boat Co. guarantee profit of about \$25,000,000, which profits it is believed can be realized within the next two years.

PRESTON EAST DOME.

Porcupine, Ont., July 29.—On the Preston East Dome property it is announced that the north claim of the company is to be the centre of operations very soon. Diamond drill work is to be commenced here.

This claim immediately adjoins the Big Dome, and it is the hope of the Preston East Dome Company that the diamond drilling to be undertaken will disclose ore bodies similar to those on its big neighbor's ground.

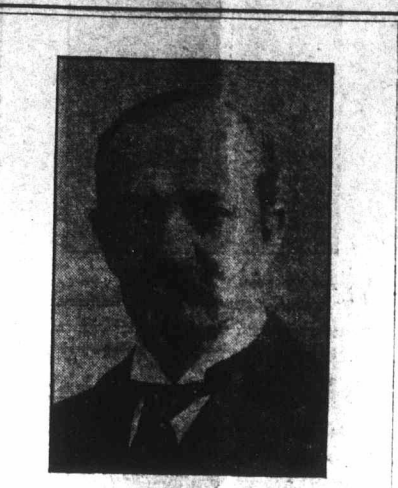
The management has done no work for the past year, and what was done when operations were in progress was on the south claim.

METAL DRAWING COMPANY.

St. Catharines, Ont., July 29.—In one and a half days the employees of the Metal Drawing Company raised \$1,000 for one machine gun.

SPOT WHEAT UNCHANGED.

Paris, July 29.—Spot wheat unchanged at 1.85.



MR. I. G. OGDEN, Vice-President of Canadian Pacific Railway, in charge of Finances.

Men in the Day's News

Mr. I. G. Ogden, vice-president of the Canadian Pacific Railway in charge of the finances, has just issued the company's annual financial statement. Mr. Ogden, like so many of our prominent Canadian railway men, was born in the neighboring Republic. He was born at New York in 1844, so that he is now seventy-one years of age, or past the usual age when railway men retire from active service.

Mr. N. T. Hillary, who has been transferred from the office of Toronto manager of the Royal Bank to be general supervisor for the same institution in the Middle Western Provinces, is, as his occupancy of these positions would indicate, an exceptionally competent banker, his years of service having covered no small period of time.

The Hon. Thomas Chase Casgrain, Postmaster-General in the Borden Cabinet, has just celebrated his sixtieth birthday. He was born in Detroit, but his parents came from this province. Mr. Casgrain was educated at Laval University and practised law first in Quebec and later in Montreal. His first political experience came in 1888, when he represented Quebec County in the local House. He later returned to the House of Commons but afterwards returned to the Quebec Legislature and was Attorney-General of the province for five years, going out of power in 1895.

Mr. George J. Cuthbertson, manager of the Board of Trade Branch of the Bank of Toronto, is one of the business men who is "doing his bit" in connection with militia matters. Mr. Cuthbertson decided that he was too young to join the old men of the Home Guard, so enlisted with the Westmount Rifles. Like Roosevelt who said that he would go and fight himself and take his four sons, this worthy banker also took his son with him into the regiment.

Premier Asquith, who made an encouraging address when Parliament adjourned yesterday, carries a heavier load than any other man in the British Empire. In the last analysis the Premier of the country is responsible for the conduct of the war and as this war is on a more gigantic scale than any other in the history of the world, it places a tremendous load upon the head of the British Government.

Lieut.-Col. E. W. B. Morrison, D.S.O., who was Director-General of Artillery at Ottawa when the war broke out, was slightly wounded in an engagement "somewhere in Belgium" about the middle of the month, but was able to return to his command within three days. Apropos of illness, Col. Morrison, in a recent letter home, speaking of a certain fellow officer, said: "He should be in hospital, but he won't go. You see, in the wisdom of the War Office, when an officer is wounded, he goes to England, loses his command and only comes back when there is a vacancy in his rank, and then it may be in an entirely different unit. My officers and men are so keen that I can scarcely drive them into hospital."

Wellington, N.Z., July 29, via London.—The opposition has rejected the Government's proposal for the formation of a coalition Government in New Zealand.

WAR LOAN FINANCING REFLECTED IN RETURN

Bank of England Statement Shows Satisfactory Position and Gives Interesting Data

PUBLIC DEPOSITS INCREASE

During Past Two Weeks An Increase of \$124,670,000 is Shown, Which Means That Over \$64,000,000 Was Paid in in Excess of Loan Installments.

(Special Cable to The Journal of Commerce.)

London, Eng., July 29.—A further increase of about £68,000,000 in public deposits is perhaps the most interesting feature of the Bank of England's return this week. It follows an increase in the same item of £66,240,000 last week. There was some surprise a week ago that the payment of subscriptions to take advantage of the 4 1/2 per cent. discount on July 20, had not resulted in larger figures in the previous statement. But it is evident that the full returns had not been covered in to the Bank of England at that time.

Taking the two weeks together, therefore, there is shown an increase of £124,670,000 in the public deposit item, which means that over £44,000,000 in excess of the 10 per cent. instalment due July 20 was paid in, not to mention the preliminary payment of 5 per cent.

According to these figures, fully one-fourth of the new war loan has already been paid in. In addition, it is understood that a very large sum is represented by amounts subscribed by some of the joint stock banks which are allowed to remain for the present on deposit with them.

The financial arrangements incident to the war loan subscriptions are also strikingly manifested in the accompanying decrease of private deposits. This week this amounted to £41,080,000 last week to £23,360,000.

The increase of £27,628,000 in other securities reflects the extent of borrowing at the bank in order to participate in the loan and is anything but a bad criterion. In the two weeks this item has increased but £52,175,000. The increase in the loan item this week is practically on a par with the net increase of £27,350,000 in the two deposit items.

The only unsatisfactory feature of the return to hand is of course the loss of 1.23 points in the proportion of reserve to liabilities. But this is still an improvement over other returns of the recent past and is not bad considering the great benefits in other directions.

An increase of nearly £1,500,000 in bullion holdings at the same time is all to the good. Predictions as to an increase in the bank rate were not fulfilled.

BANK OF ENGLAND RETURN.

London, July 29.—The Bank of England's weekly return compares as follows in pound sterling:

Table with 3 columns: This week, Last week, and a third column. Rows for Circulation, Public deposits, Private deposits, Govt. Sec., Other sec., Prop. res. to lab., Bullion.

NEW PANAMA EXPOSITION COINS.

Spokane, Wash., July 29.—Two months ago the Fidelity National Bank placed an order with the United States Mint at San Francisco for a set of the new Panama-Pacific Exposition coins minted by authority of a special act of Congress. The coins arrived this week and were placed in a frame and are on exhibition in the bank lobby. In the assortment allowed the bank, the first of the new coins to be shown in Spokane, there are 50-cent pieces, \$1 gold pieces and \$2.50 gold pieces. Only a few of each were available, and some of these will be sent to the bank's out-of-town correspondents. The coins pass at par, but command a 100 per cent. premium when secured from the Mint. J. J. Rouse, cashier, said that they will not go into general circulation. The government is making them as Exposition souvenirs by special act of Congress, and the extra price charged for them goes to the Exposition.

BANK OF FRANCE RETURN.

Paris, July 29.—Following are principal items in this week's return of the Bank of France, (in francs):

Table with 3 columns: July 29, July 22, and a third column. Rows for Gold, Silver, Circulation, Deposits, Bills discounted and extended, Treas. dep., Advances.

ENGLISH RECRUITING SATISFACTORY.

London, July 29.—After declaring that the recruiting situation is highly satisfactory, Premier Asquith in the House of Commons continued:

"Our Russian allies, who have been compelled to bear the shock of the combined Austro-German armies have conducted themselves with indescribable gallantry."

WEST DOME TO REOPEN.

South Porcupine, Ont., July 29.—Further reports of the immediate reopening of the West Dome mine at Porcupine are being circulated. It is stated on good authority that the work of dewatering the shaft will be commenced in a week, after which further operations will be undertaken at the property. At present the property is idle. Mr. M. B. R. Gordon, formerly manager of the Cobalt Lake mine at Cobalt, is said to be slated for the appointment of manager.

NO COALITION GOVERNMENT.

Wellington, N.Z., July 29, via London.—The opposition has rejected the Government's proposal for the formation of a coalition Government in New Zealand.

THE CANADIAN BANK OF COMMERCE

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

Board of Directors:
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JOHN AIRD, Assistant General Manager.

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.

INCORPORATED 1832
THE Bank of Nova Scotia
CAPITAL PAID-UP..... \$ 6,500,000
RESERVE FUND..... 12,000,000
TOTAL ASSETS OVER..... 90,000,000
BRANCHES IN ALL THE PRINCIPAL CANADIAN CITIES AND TOWNS, THROUGHOUT THE ISLANDS OF NEWFOUNDLAND, JAMAICA, CUBA AND PORTO RICO, AND IN THE CITIES OF NEW YORK, CHICAGO AND BOSTON.
EVERY DESCRIPTION OF BANKING BUSINESS TRANSACTED

AT LEAST \$15 PER SHARE EXPECTED ON CALUMET AND HECLA STOCK

Boston, Mass., July 29.—Calumet and Hecla directors are due to meet in the early part of August to take action on the dividend payable about Sept. 15. The existing state of the copper metal market makes it difficult to say in advance what the dividend will be, but there would seem to be little doubt that at least \$15 per share will be declared. This would duplicate the payment made for the second quarter of 1915.

Calumet and Hecla has paid thus far in 1915 \$20 per share, but has, of course, earned much more than this. Even with Lake copper at only 19 cents per pound the company is earning from its own operations at the rate of \$9,000,000 a year, or \$90 per share. Counting its equity in sub-company profits the parent company's earnings are probably nearer \$125 per share, although its divisible income is not, of course, as large as this because the subsidiaries are distributing only a portion of their earnings in the form of dividends.

Another factor which has to be considered in connection with Calumet and Hecla dividends is that the company has been using some of its cash to purchase its notes which became due in 1915. This issue the last remaining of those given in payment for the Bigelow properties, originally amounted to \$4,124,000, but on December 31 last there had been purchased and placed in the sinking fund \$450,000. In the first five months of 1915 an additional \$920,000 were bought, which left outstanding \$2,754,000. We understand that in the past two months no notes have been purchased.

With the payment of the initial Alouze dividend of \$1 per share on July 31, Calumet and Hecla will have received from its subsidiaries this year dividends amounting to nearly \$500,000, with every probability that the last half of the year will make an even better showing. For example, Alouze has paid \$12 per share this year, \$10 of which came in the second quarter. The last half of the year easily will better this, while the same is undoubtedly true of Oacacla, which has thus far paid \$5 per share. Another dividend will also come from Alouze, which is earning \$12 per share against the first payment at the rate of \$4 a year.

BRITISH CREDIT IN NEW YORK.

New York, July 29.—A member of an international banking house says that to his knowledge the establishment of a British credit in New York is not imminent. He admitted, however, that exigencies of the war and position of foreign exchange market might cause the British Government to decide almost overnight to make such an arrangement.

However he ridiculed the idea which has been advanced in public print that the British credit when established would be based upon American securities purchased in the open markets of Europe by British Government and deposited here as collateral.

BRITAIN TAKES UNLIMITED QUANTITIES OF FOODSTUFFS.

In the first six months of the year Canada exported \$4,377,000 worth of wheat to Great Britain, an increase of \$583,000 over the corresponding six months in 1914. Other commodities to show an increase were flour \$376,000, cheese showing a gain of \$475,000, and lumber an increase of \$397,000. Apparently Great Britain is prepared to take an unlimited amount of our foodstuffs.