## The Toronto World

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by mail. To other Foreign Countries, postage extra-FRIDAY MORNING, AUG. 3.

Banking Reform for Canada. The World has long advocated in Canada a hanking law similar to that of the United States, involving as it does national currency, a national bank of rediscount and a standard national credit for money to farmers for the improvement of their farms at a low rate of interest. How successful the law passed at Washington has been is well stated in The Satur-Gay Evening Post:

The government has borrowed two billion dollars without any very severe disturbance in the money markets or any check to the country's production and distion of goods. The big payments that were made on or about July first this year footed a billion dollars—consisting of first instalments on the Liberty Loan, dividend and interest disbursements, and so on. Many times, decidedly smaller pay-ments have unsettled the money markets, brought contraction of credits and sent a far thru the

commercial fabric. The strain of this war, if it had fallen upon the old banking sys-tem. with its decentralized re-serves and very faulty mobility, would have been almost unbearable. The new system sustains it

We hardly recall an important movement of a political character or depending upon political action that looked less hopeful than the agitation for reform of the banking system did when it started in a systematic way a dozen or more years ago. Oppgress was not only indifferent but hostile. Numberless wiseacras said it could not be done, because any reform worth while must include central exation of banking power and the public was unalterably opposed to a central banking institution,

Yet it was done. True, some supposed prejudice was circumvented by calling the central institution twelve banks instead of Yet essentially it was done It stands now as one of the most unequivocal, indisputable gains that the country has made thru egislative action in this century Those who worked in laying the foundations deserve a credit they have never received. But leaving that aside, it is an inspiring proo that needed reforms can achieved by untiring effort, in spite of a very formidable mass of political indifference and pre-

United States will be good for Canada, and we will be very much surprised if at the next session of parthe coming election, a measure of reform on the above lines is not presented and passed. We should have had it at the beginning of the war.

#### The Harvest Labor Problem.

It was unfortunate that the board of trade meeting yesterday had not been better organized, as practically nothing was accomplished, and those who arranged the meeting and asked Hon. W. J. Hanna to be present placed that gentleman in a false position. The delegates from Hamilton and elsewhere left for home under a false impression and with the conviction that they had wasted their time.

This is all the more unfortunate since the situation to be dealt with is an urgent one and brooks no delay. It is an immediate necessity and there are only a few days in which to make a start. In fact many of the 10,000 men required for the farms sincers, 2; No. 2 C.A.S.C., 2; No. 2 could be utilized immediately. The C.A.M.C., 6; York and Simcoe Forestcould be utilized immediately. There should have been some foresight exercised weeks ago by those in charge of the matter. Fortunately, later in the evening, some action was taken which promises results.

As Hon. Mr. Macdiarmid pointed out, 5,000 or 6,000 boys have been placed at farm work this summer, and the fruit crop is being handled by women and girls similarly organized. There should have been an earlier attempt to prepare for the harvest as the plowing and sowing was prepared for

Mr. Parsons thought that it wasn't an impossible task to get 10,000 men. It may not seem so, but 10,000 men who are efficient on a farm may be more difficult than appears at first sight. It takes an expert to build a hay-cock, or even to handle a hayfork. Stooking sheaves of wheat so as to turn the weather is not entirely an amateur job. And these are elementary aspects of farm work.

But where are the 10,000 men to be had? Can the employers of labor supply them? Are the ranks of labor themselves not as necessarily to be consulted as the employers?

We do not believe this farm labor question has been regarded sufficiently as a great national question. I is not a question of the wages pe. diem the men are to get, but the millions of crop values that are to be saved to the country.

The farmers were urged to plan and sow, and promised that the coun try would see them thru with the harvest. This promise must be, as

it ought to be, implemented in some

A suggestion was made that the manufacturers should pay the extra wages that would attract city labor to the farms, and it was met immediately with a counter-proposal that the farmers should pay the men \$4 or \$5 for their extra labor. Any person who knows the average farmer is aware of the impracticable character of this view. The meeting finally passed a resolution asking the government to pay the difference between \$3 and the \$1.10 the farmers are said to be willing to pay. The farmers ought to know that \$1.10 is unworthy of them, especially when they are getting record prices for their produce. It is a long time since \$1.25 was regular wage with board for casual labor in the vicinity of Toronto.

There was mention of conscription of labor for farm purposes, and it was mortgage bond system based on the heartily received in some quarters. If we had a national consciousness and every Canadian understood, as every Swiss understands, that the welfare of every man in the country depended on the welfare and co-operation of every other man there might be conscription or a voluntary substitute for conscription, such as really patriotic people would furnish. But the resistance to such an imperative necessity as military conscription proves that there is wholly lacking in a large number of people living in Canada the nadonal consciousness that makes a people strong and great, and the fact makes conscription of labor for farm ourposes impossible.

Whatever is to be done must be done by suasion. Labor should be consulted and the situation explained to representatives of the various unions and labor bodies. It should be made clear that the situation is a desperate one, and that their help is needed, on any reasonable terms that their good sense and judgment will determine, all the conditions and mutual benefits being duly considered. There must be more recognition of the labor element of society, and both capital and labor must learn that during the war and for some time after the very issues of life depend on the harmony with which the various social elements been completed are proving satisfacwork together.

At a conference with some of th board of trade representatives last night with Mr. Hanna the following resolution was adopted and the government will do well to give it effect:

"That the provincial government be recommended to advertise at once for sufficient number of men required for harvesting men required for harvesting the Ontario crop; that the farmer pay a minimum wage of \$45 per month and board minimum and that the government devise means to provide for the difference between the wage at present earned by the workman and the minimum wage above suggested."

trade men and the labor men all get What has thus been good for the together the bountiful harvest which has blessed Ontario this year may be securely stored, and it is worth much, not merely to the province, but liament, no matter who succeeds in to the whole human race, facing famine as it is, to make it secure. If the people clearly understand this we believe the response will be adequate.

#### OVER ONE HUNDRED RECRUITED YESTERDAY

Of the one hundred and twenty-five possible recruits who came up for examination at the armories yesterday, one hundred and five passed the physical test and were attested. Many attached as follows: C.M.R., 2; Canadian Engineers, 2; 2nd Q.O.R., 3; 10th R.G., 4; 48th Highlanders, 20; 109th Regiment, 3; P.P.C.L.I., 5; No. 18 Railway Construction Battalion, 1; No. 2 C.A.M.C., 6; C.A.S.C., 2; Y. & S. Forestry Battalion, 7

Disposition of the total mecruits attested was made as follows: 2nd Q. O.R., 3; 10th R.G., 4; 48th Highlanders, 23; 109th Draft, 3; C.M.R., 4; R.C.D., 2; P.P.C.L.I., 5; Canadian Enry, 13; No. 18 Railway Construction, 1, and the Indian Draft, 37.

IN COMMAND AT BROMLEY.

Canadian Associated Press Cable. London Aug. 2.—Lieut.-Col. J. R. Spier, Medicals, has been appointed to command the convalescent hospital

at Bromley

#### OTHER PEOPLE'S **OPINIONS**

The Toronto World invites correspondence on subjects of current interest. Letters must be short and to the point-not more than 200 words at the outside. The editor reserves the right to cut any letters to make them conform to space requirements. Names will not be published if the writers wish them withheld, but every letter must be signed with writer's name and address, to ensure authenticity.

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# THINKS C.N.R. STOCK **WORTH FACE VALUE**

Only Required Money Make it a Success, Says Sir William.

#### SOME OTHER OPINIONS

Hon. I. B. Lucas Believes That Hydro Will Benefit by Change.

"The government and I may or we may not agree about everything, but we seem to get along some way or another," was a remark of Sir William Mackenzie yesterday morning that sums up his attitude regarding the action of the government in taking over the C. N. R., which has been the child. creation and materializing dream of Sif William for the past 21 years.

Asked what the directors of the company would say and what attitude

they would take regarding the action of the government, he said he supposed that the attitude of the directors would largely depend on the award of the board of arbitration. William thought that the com-

phatically announced. "Would you, from a business point of view," he was asked, "regard the stock, in spite of all the prior bond and debenture claims against the system, as a sound investment?

"I think it a very good investment, he replied. He stated in answer to further questions that his colleagues thought like-wise and would like to retain it as in the next few years it would greatly appreciate in value. The C. N. R. he held to be one of the finest railways in the world, and it only required money to make it a great success The alternative to taking it over was the providing of more money. How much more was a matter of opinion Sir William expressed regret at losing the road, which, he explained was not all completed. "There is the tunnel at Montreal, you know, but

The C. N. R. and the G. T. P. were he held, two entirely different proposi-tions. The C. N. R. had the makings of a great railway and could be made

the work on that is being proceeded

with rapidly and the parts that have

great success. The success of the railway under government ownership would largely depend upon the directors that will be appointed. As a railwayman, he knew it would largely depend upon

The operation by the present company would tend to assure its success, as the present C. N. R. Company stood the running of railways.
Will Help Hydro Radials.

Hon, I. B. Lucas expressed the opinion that the Hydro would welcome the benefit by the government taking over the C. N. R. It meant a lot to the attorney-general, who is also a memally on the Niagara frontier, where radial lines which would have competed with the Hydro radials and in some places would have paralleled This, in the opinion of the Hydro supporters, was nothing but pure rivalry on the part of the C.N.R. With the taking over of the C. N. R. there will likely be a clear field for

hydro radials. "This will result," said Mr. Lucas. "as it ought to, in stooping the par-alleling of the lines either by the Hydro or the C. N. R. There is system in the Niagara district the oposed, Hydro and C. N. R. lines under government control can cooperate and there will be a saving of

money. "The government will likely disconrecruits from the United States were tinue the laying of the lines as pro-included in this list, and they were jected by the C. N. R., but if they do the Hydro will be able to get run-ring rights and save duplication of the lines. There is too much duplication of lines in Canada now and it means that the public have to pay the cost.'

Guaranteed Bonds.

In taking over the C. N. R. the federal government has relieved the provincial governments of a whole lot guaranteed. British Columbia, which guaranteed the greatest amount, is the chief spainer by this.

ontario, said Mr. Lucas, only guaranteed some nine millions worth and obtained the best security of any province.

Until further announcements are made regarding the government's policy of nationalization of railways. Toronto business men were somewhat reticent in regard to advancing any is which he is intimately connected. While in England at the present time they are using from 80 to 85 per cent. of the wheat for flour, in Canada the majority of the mills are still operating on the old pre-war basis of 80 per cent. in stead of using all the nutritive value of the wheat. Something, he thought, ought to he done in this regard, as the wheat and bread harder to obtain. reticent in regard to advancing any opinion regarding the taking over of

S. R. Parsons, president of the Caradian Manufacturers' Association, had not read the press despatches of the action taken, but expressed nimself in favor of the general nationalization of all the railways, including the C. P. R. He wanted to know more about the

# The Prudent Man

The prudent man prepares for the can years by husbanding his resources during the years of plenty. The easiest, simplest and safest way to do this is to deposit regularly such portion of your income as is not immediately re-quired, in a strong and stable institu-tion like the Canada Permanent, where will be available when wanted, and the meantime, will be earning interest. Or, all your receipts may be de posited and your payments made by

We credit the account with interest Three and One-Half Per Cent.

Canada Permanent Mortgage Corportaion

Paid-up Capital ..\$ 6,000,000.00 Reserved Fund (earned). 5,000,000.00 32,264,782,81 (Established 1855).
TORONTO STREET TORONTO matter, however; for instance, whether the same board of directors would remain or what would be the personnel of the government board.

J. T. Somers, of the Sterling Bank, was opposed to the nationalization of

railways, believing that no govern-ment could handle such an onterprise the same as a private company or corporation, nor could the road be run more economically as' a government

Danger of Politics. "I have no matured plan," said Mr. somers, "as to what should be done, but on general principles I am op-posed to public ownership of railways. sincerely hope that everything will work out all right, but a business of such magnitude should not be entrusted to the management of a govern-ment if for no other reason than that the whole thing is bound, in some way or other, to get into polities.

"The government has done the only thing it could do," said W. P. Gundy, vice-president and general manager of the W. J. Gage Company. "The move was a wise one and one that should nicet with the approval of the people. Personally I don't like to do thes things, but under the circumstances there was nothing else that the government could do. I consider that good judgment has been shown and that a splendid forward step has been

Ex-Mayor Joseph Oliver strongly enlorsed the action of the government "It is the best thing in the wor the country," said Mr. Oliver. better plan than nationalization of this road could have been formulated. The C.N.R. is a good road and serves the pany should get all it could for its test part of the country, and I think outstanding \$60,000,000 stock: "It is the fact that it has been taken over certainly worth its face value," he emcess. This is certainly one case where in are to be found strong arguments for the public ownership of railways."

#### FRENCH BRING DOWN MANY FOE PLANES

Germans Lose Twenty-Two Ma chines in Air Combats.

Paris, Aug. 2.—The French War Office as issued the following official comhas issued the following official communication:
"Aviation—From July 21 to 31 twent;

"Aviation—From July 21 to 31 twenty enemy airplanes and two 'drachen' we're brought down. In the same period twenty-one enemy airclanes were seriously damaged, descending in their own lines. About ten of our escadrilles carried out numerous raids, bombarding notably the railway stations of Roulers. Metz, Thionville. Montmedy and Betheniville, factories at Hagondange, cantonment and bivouacs in the forest of Houthulst and Spincourt, and ammunition depots in the Spincourt, and ammunition depots in the region of Laon. Forty thousand kilos o projectiles were dropped in the course of these expeditions, which caused important damage to military establishments."

#### APAN NEVER BUSIER IN HER WHOLE CAREER

Douglas Collier Describes Great Preparations in Japan for After-War Trade.

That Japan was never busier in her whole career and is doing great things as an ally so far as munitions are concerned was the information given by J. Douglas Collier, director of L. J. Healing and Company, engineers and merchants, of Yokohama and Tokio, at the King Edward vesterday.

at present was the world wide shortage o ships. This is not restricting the Japan ese so far as preparation for after the war trade is concerned, as they are go ing ahead and planning for a great expansion which will commence as soon as hostilities definitely cease. Mr. Collier said he never saw such activ ities in silks and fancywork during his nine years in Japan and the Japaness were entering the electrical and mineral commercially the Japanese had developed wonderfully in the past decade This was most noticeable in Tokio, Yokohama and Kobe where the large dock

systems would open the eyes of the skeptic regarding Japan's potential mari-Mr. Collier left for Ottawa lats night and will visit several American centres before returning to Japan.

#### FAVORS USING MORE OF THE WHEAT BERRY

Ex.-Lieut.-Governor of Manitoba Says Canadian Mills Should Follow British Example.

Canada is suffering from too much talk and not enough action, according to Sir Douglas Cameron, ex-lieutenant-governor of Manitoba, when interviewed at the Edward Hotel yesterday. ing Edward/Hotel yesterday.

Asked for some specific instance of this, e singled out the milling industry, with which he is intimately connected.

Regarding the new income tax, he hought it was all right so far as it went, but in his opinion it did not go far enough. It would prove more satisfactory than the old business tax, he hought, for the reason that abnormally his profit were now a time of the same tax. factory thought, for the duration of the war anyway.

#### GRAIN GROWERS TO RUN NOMINEE IN BRANDON

Roderick McKenzie Will Be Candidate for Western Farmers.

Winnipeg. Aug. 2.-Two hundred delegates, representing grain growers and labor men, assembled in convention here this afternoon and selected on the fourth ballot, Roderick Mc Kenzie, secretary of the Can dian council of agriculture, to be sair standard-bearer for the fed stituency of Brandon, in coming general election names were submitted to the tion, three of them being n

Captured Norwegian Steamer Used as Base by Submarine

Copenhagen, Aug. 2.—The members of the crew of the Norwegian steamship Benguela, previously reported sunk by a German, submarine, have arrived at Bergen. They say their ship was captured on June 15, in midby a big submarine, which sed the Benguela as a base. ubmarine was still in when the crew was transferred to another steamer on, June 19,

# FORCE TO DISBAND

New Battalion and Others Will Retire.

Camp Borden. Aug. 2.—In a short time the Canadian defence force will have ceased to exist. A new unit is to be organized to be known as the First Depot Battalion. Central Ontario Regiment, into which all the overseas men of the C. D. F. service battalions will be transferred. Those who have not enlisted for overseas will be given the option of doing so or taking their discharge.

The new unit will be a large one, having a total establishment of 2044 of all ranks. It will be modeled on the reserve battalions now in England and will send drafts overseas from time to time as the men show the necessary proficiency in training.

training.
Fifty-two Officers Needed. Fifty-two officers are called for in the establishment, including a lieutenant-colonel, a major, an adjutant, a quartermaster, eight captains and 40 lieutenants. As there are at present somewhat over 70 Canadian officers, great interest will be taken by them in the next week or so in the selection, which has yet to be made. Such officers as are not chosen for the new battalion will be permitted to revert, to retire to civil life, or possibly other provision may be made for them. An opening seems to be indi-cated by the statement that two additional officers, fit for light duty, are to be allowed for each 100 men classifled by the medical board as (A 3).

serving with the battalion.

Battalion Composition. The battalion will consist of head quarters with signalers, pioneers and stretcher-bearers, band, and eight companies. In the establishment of mers and buglers are all to be sol- tics and treated merely as a first war diers, classified as (A 4) or (C), that is, either under nineteen years of age, or unfit, for overseas, and ly. The correspondent bedrummers under nineteen when they timatum will be accepted reach that age will come on the establishment as privates. There will be the usual proportion of n.c.o.'s.

This change will necessarily mean the absorption of the infantry training depot here into the new organization. This depot has been, since its inauguration, simply local arrangement for carrying on the training in camp of overseas companies of the

Major N. S. Hamilton, 227th Battalion, has been struck off the strength of the C. E. F. Lieut. Roy W. Parke on appointment to the 13th Battalion. has also been struck off the C. E. F on appointment to the 12th Battalion

Lieut.-Col. Mason, brigadier of the 1st Infantry Brigade, has been granted leave of absence till August 17.

#### Not to Reduce Allowances On Accepting Lower Rank

By a Staff Reporter. Company, engineers and merchants, of Yokohama and Tokio, at the King Edward yesterday.

The opportunities for greater trade rethat, when officers reverted to a lower reduction in their pensions or ration allowances, has been ame commissioned officers, who were omit ted from the original order. The order was laid on the table of the house by Sir Edward Kemp.

BREWED

EXCLUSIVELY

MALT AND

HOPS.

FROM CHOICE

# **KORNILOFF TAKES BRUSILOFF'S POST**

Overseas Men Will Go Into New Commander-in-Chief Inaugurates Iron-Fland Discipline.

## REMARKABLE CAREER

Korniloff Rises From Obscurity to Place as Military Idol.

Petrograd, Aug. 2.-Gen. Alexis A. Brusiloff, commander-in-chief of the Russian armies, has resigned. General L. G. Korniloff. commander-in-chief of the Russian armies on the southwest-ern front, has been appointed general-issimo. General Tcheremissoff, commander of the eighth army, has been appointed to succeed Gen. Korniloff on he southwestern front.

Gen. Korniloff inaugurated iron-handed discipline today in assuming his place as commander-in-chief. He issued formal orders prohibiting meet-ings of soldiers in the war zone and warning that disobedience would mean instant execution. He forbade any of the soldiers' committees from assem-bling to discuss this order. General Vassilkovski, a Cossack officer, has been appointed to the troops in Petrograd.

ULTIMATUM TO KERENSKY.

London, Aug. 2 .- According l'etrograd despatch to The Post, Ruscompanies. In the establishment of company officers will be included an ence at headquarters recently and company officers will be included an ence at headquarters recently and company officers will be included an ence at headquarters recently and company officers will be included an ence at headquarters recently and company officers will be included an ence at headquarters recently and assistant adjutant and musketry, and War Minister Kerensky that unmachine the would resign as being unable to carry on the war victoriously. The correspondent believes the ul-

Korniloff's Career. Lieut.-Gen. L. G. Kornilloff was born the son of a Karalinsk Cossack in western Siberia and began his career as a village clerk. From this obscure place he rose to be one of military idols. At the outbreak of the war he com-

manded the 48th division, and in Galicia in 1915 he repeated the Mul:-den feat, but he himself was wounded and taken prisoner. The enemy press related that their generals were : so impressed with Korniloff's accomplishments

noble bearing that the return of his sword showed greater honor to Russia's Admirable Cricbton than to their own victorious commander. He did not long remain in captivity. daring flight from the Austrian prison camp he reached Russia.

At the outbreak of the revolution he was invited to command the troops at Petrograd. He resigned when the disorders arose and took command of the eighth army, whose brilliant exploit is due primarily to him.

## SENATE WORKS OVERTIME.

Ottawa, Aug. 2.-Even the senate must work overtime now. Senator Lougheed gave notice today of Saturay sessions hereafter, the first to be eld at 11 a.m. Saturday next. It is

## MINIMIZE THE FIRE PERIL BY USING **EDDY'S**

CHEMICALLY SELF-EXTINGUISHING "SILENT 500'S"

The Matches With "No Afterglow." EDDY

of these matches, every stick of which has been treated with a chemical solution which positively ensures the match becoming dead wood once it has been lighted and blown out. Look for the words

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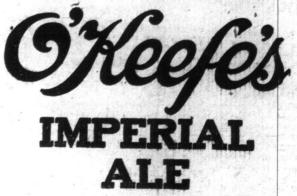
# KAISER SUMMONS

High Military and Naval Leaders Meeting at Brussels.

Field-Marshal Von Hindenburg. chief of the imperial general staff; General Von Ludendorff, the quartermaster-general; the German Crown forces in the Champagne; Crown Prince Rupprecht, of Bavaria, in command on the Belgian front; Grand Duke Albrecht, of Wurtemberg, and hoped thus to expedite passage of the minister of the imperial navy, and others will be present.

# Everyone

O you realize that hops and malt brews can be produced just as delicious in taste, pure and healthful as the old-time brews and still be within the law? Everyone who enjoys



For Sale at All Hotels and Restaurants. Order by the case from your Grocer or Dealer.



is the only Canadian maker

# **COUNCIL OF WAR**

Amsterdam, Aug. 2.-Emperor William has called a war council of the high military and naval leaders in Germany to meet at Brussels, Belgium, today.

Enjoys It

a glass of good ale, will appreciate

York County Estimate

Hon. F. G. public works, Yesterday from cil which aske cost of the r county would and Hamilto erstanding

of dainty color the new featurers and cuffs &c. Choice of to \$15.00 each etland W Real Hand grey. Light Sultable for under coat.

FRIDAY

DURING

Silk Sport

Wool Swe

Our present di eclipses anythi Fine Wool Swe newest styles the season's n

Trimmed M We continue Summer Trin sist of a cho

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Major Frank O.C. Railw Batta Over a hund ide points arri

forty-seven fro Indians recruit

also arrived, an Toronto mob yesterday at t lound physical recruiting boa ing Corps who of the age of finally dealth v district headq plicant passes ation is expe

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MEET WAR

IN CON

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Mrs. Willoug Mrs. W. E. Women F Mrs. W. E. Sa the province i

> tional Counc its food conse that they are thusiasm anio to public ques ever they go. and Oshawa resolutions fa precating the ernment. Mrs. L. A. from Lorne P to the wome held today. been made

the front and DEPUTATIO

act as ushers. Would be giv

sult if reinfor