

S IN THE D OF SPORT

ates Golf Champion- e Tied for First Yesterday

OPHY MATCHES

rganize Its Penalty System- "Oak" Will Be Refused in Acted Badly at Start Ottawa.

atches were played last far from ideal so far as concerned. Outroutment won m Westmont, but the lat- two was too great to over- y 108 to 102. M. A. A. A. tches, the aggregate being

setting the world on fire laying inside the home for Na- of the Montreal A. A. A. ll in the last game. Prob- t-class athlete "Newsy" is

of Otto Hess, veteran nounced by the manage- Hess has been with tne previously played with and the New Orleans team

out the folly of the sub- ight into force by the "Big y the N. L. C." President ern Association, called a it is likely that the old the good old style of for- is committed the team short handed.

second appearance as a iving shift, was again nings eight runs were by the Rochester team.

bad behavior at the lar- ce at Ottawa, and after the stewards which or- ed in the future. The cell in the Canadian-Post re- really a pity that he is

his retirement from the ent of a handsome sold- members of the Jour- last night to join the

Automobile derby at until June 26.

oulding. The champion Ontario branch of the A. to the Canadian cham-

liner and former Har- automobile at New-

equite franchise may be s. A league meeting Sunday to decide the

out as soon as one of ther the New York of the Purcell will be sent of the Pacific Coast

ay's play for the U. S. hip. James M. Barnes, and another profession- niques each. M. J. Brady ind the leaders, and many amateur titles.

st like Ty Cobb. The o four scattered hits.

short distance runner t, was drowned while

has purchased Richard of the Lewiston New

WEATHER: UNSETTLED.

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Reserve Fund \$4,800,000
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GERMAN ENVOY FROM STATES TO CONFER WITH EMPEROR

Berlin, June 19.—Dr. Anton Meyer Gerhard, diplomatic envoy of Count Von Bernstorff, German Ambassador to the United States, was invited to the Imperial Headquarters to-day for his first conference with Emperor William. Dr. Meyer Gerhard will assume an advisory capacity in the drafting of a reply to President Wilson's second note relative to Germany's submarine war.

GOVERNMENT OFFERS COAL MAGNATE POSITION OF PURCHASING AGENT

London, June 19.—The position of purchasing agent for the Allies in America has been offered to D. A. Thomas, multi-millionaire coal magnate, who will probably accept.

Mr. Thomas is expected to deal directly with making of arms and ammunition in Canada and the United States eliminating the middleman and thus saving money and time. His headquarters will probably be in Ottawa and New York.

PREMIER ASQUITH'S SONS WOUNDED

London, June 19.—Lieut. Herbert Asquith, who returned to London recently from the Dardanelles, where he was wounded, is expected shortly to return to the fighting line. His wounds consist of contusions of the face, made by a splinter of a shell, which also struck over several of his teeth and cut his lips.

Lieut. Arthur Asquith, another of the Premier's sons, who was wounded in the leg in the Dardanelles two weeks ago, is convalescing in Cairo and expects to return to active service within a fortnight.

BRITISH PARLIAMENT'S LIFE EXTENDED FOR TWELVE MONTHS

London, June 19.—"That there should be no dissolution of Parliament was the decision virtually arrived at by the Cabinet at its meeting yesterday." "The Ministers decided in principle that the life of the present Parliament should be extended 12 months and that no municipal elections should be held this year."

RUSSIANS MAKE LAST STAND IN GALICIA

On new Line Protected by Natural Defences are Fighting to Save Lemberg

STRONG COUNTER-OFFENSIVE

Drove Austrian Army Back into Bukovina—Anglo-French Fleet Co-operating with Italian Ships in the Adriatic.

(Special Cable to Journal of Commerce.) London, June 19.—Behind the natural defences afforded by the river Tanef and the chain of lakes at Grodek, the Russians are making their last stand to prevent themselves being expelled from Galicia and to save Lemberg, their main supply for their troops in Galicia. In retiring to this line, less than sixteen miles west of the Galicia capital, the Russians fought a rearguard action which is believed to have cost General von Mackensen's army heavily.

The Austrians report they have forced the Russian right back at Tarnograd, occupying the town and seizing some heights in Russian territory. The great battle is before Grodek, however, on which the enemy is converging by the railroads from the west and northwest.

Drove Austrians Back

The Russians have developed a strong counter-offensive in the region between the Pruth and the Dniester. Here they attacked the Austrian army, which had crossed the frontier, and drove it back over the border into Bukovina.

Italian aeroplanes and dirigibles flying together, have made a raid along the Austrian front in the Iscenzo Valley, doing great damage, especially at Gradisca. Many bombs were dropped on the strong enemy entrenchment at Monte Sanco during the raid, and other damage was done to the railroads along the Austrian front.

The Italian operations about Palva, where the enemy has assembled strong forces, are developing favorably to the Italians. At Cadore the Austrians have sought to drive back the Italians from their most advanced positions, employing long range guns of heavy calibre to this purpose, but the Italian artillery enabled the Italians to maintain their positions.

Destroying Submarine Bases

Rome newspapers declare that Italian troops now occupy twice as much territory as was offered Italy to continue her neutrality.

Warships of three nations, Great Britain, France and Italy are now engaged in finding and destroying the oil depots on the Adriatic coast from which the Austrian submarines have been replenishing their fuel stores. That the Anglo-French fleet was co-operating with the Italian fleet in patrolling the Adriatic and keeping the Austrian fleet bottled up, was made known by the French Minister of Marine.

His announcement concerning the Adriatic operations also contained an intimation that the discovery and destruction of secret oil stations in the Dardanelles region will soon reduce to a minimum the activity of the German and Turkish submarines there.

Broke Enemy's Communications

The French campaign in Alsace has resulted in the Germans losing control of their communications between Metz and Munster. The French troops now on the outskirts of Metz have brought their guns to a point where they can sweep the road leading to Munster with their fire.

The advance along both banks of the Fecht has been accompanied by the capture of many Germans and a great quantity of war material, especially rifles and cartridges.

In support of the great French offensive movement of the French north of Arras, the British troops are developing much activity east of Ypres and east of Festubert. To the east of Ypres the British have held the first line trenches they captured, but had to yield the second line in the face of the German counter-attacks. East of Festubert they advanced.

WAR ORDERS IN CANADA

Ottawa, June 19.—A tremendous volume of business for Canadian industries has been secured from the British and Allied governments.

Orders placed for harness and saddlery alone have amounted to upwards of \$10,000,000.

More than half of this amount has been shipped, but Canadian harness makers have a very large amount of British and French harness still to ship.

In March and April the Government secured orders for about \$5,000,000 worth of harness. This was divided amongst harness makers throughout the Northwest and Eastern Canada.

In all \$7,500 sets of harness were included in this branch of orders.

Some of the makers accepted larger orders than they could fill within the time specified in their contracts, and many of them are now far behind with their orders.

Of this \$7,500 sets, some of which was to be delivered by May 25 but none later than June 23, only 30,500 sets have been shipped still leaving in the hands of the makers 57,000 sets.

GERMANS NOW CONCENTRATING A LONG RANGE ARTILLERY

Copenhagen, June 19.—Since the commencement of the war the number employed at the Krupp works at Essen has been increased from 70,000 to 115,000. The production of 42-centimeter guns, it is said, is only a prelude to the manufacture of heavy guns of immense range, and in this respect, it is predicted, great surprises may at no very distant date be expected.

Work at present is practically concentrated on the manufacture of long-range artillery.

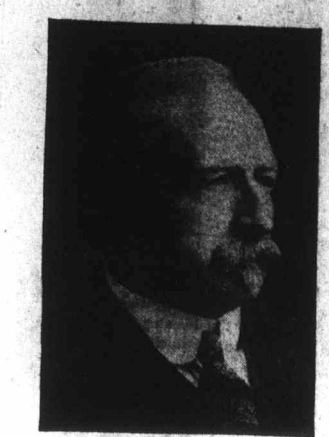
WEATHER REPORT

Cotton Belt.—Generally clear, light to scattered precipitation in Tennessee and North Carolina. Temperature 72 to 80.

Winter Wheat Belt.—Cloudy, light to heavy rains in parts of most of the States. Temperature 58 to 68.

American Northwest.—Cloudy, light to heavy rains in parts. Temperature 44 to 54.

Canadian Northwest.—Cloudy. Temperature 42 to 50.



SIR THOMAS SHAUGHNESSY, Who announces that he is to co-operate with the British War Office in the purchase of supplies in Canada.

ENGINE WAS NOT AT FAULT

Paris, June 19.—Various persons on the scene when Lieut. R. A. J. Warneford fell to his death declare that the aviator took unusual risks in the steep-chasing in which he was indulging at the time of the fatal accident.

That the accident was not due to an explosion or to motor trouble, as the first reports said, was shown by an examination of the motor to-day. It was found to be in perfect condition.

Men in the Day's News

Mr. Arthur S. Piers, who has been appointed manager of the Real Estate Department of the Canadian Pacific Railway, joined the company as office boy in 1903. His rise has been rapid, especially after he became secretary to Mr. David McNeill. In 1910 he was made assistant to the Real Estate Agent and is now manager in charge of the Department.

Lieutenant Hugh Winslow, of the Royal Naval Division, who is reported wounded, is a son of Mr. E. B. Winslow, of the Bank of Montreal. The wounded officer was formerly on the staff of the Bank of Montreal in this city, and later was employed by the Royal Trust Company in Winnipeg. He went to Salisbury Plain with the Fort Garry Horse, but on receiving a commission in the Royal Naval Division, left for the Dardanelles. He was less than a month at the front when he was wounded.

Rev. Dr. J. J. Hara, principal of the Ontario Ladies' College, Whitby, has resigned after forty-one years connection with that institution. He was born in the Township of Nepean, Ont., in 1847, and educated at Victoria College. He became principal of the Ontario Ladies' College in 1874, which made rapid strides under his management. He is regarded as one of the leading educationalists in the Province of Ontario.

Lieut.-Colonel H. J. Grassett, who was sixty-eight years of age yesterday, is head of Toronto's Police Department. Lieut.-Colonel Grassett was born in that city, but educated in England and entered the regular army as a young man of twenty. He retired as Lieutenant in 1875 and was appointed Chief Constable of Toronto in 1886. He commanded the Royal Grenadiers in the Northwest Rebellion and also served with the Queen's Own during the Fenian Raid. He has made a special study of police and municipal matters.

The Rev. James Barclay, formerly pastor of St. Paul's Church, this city, was born at Paisley, Scotland, seventy-one years ago to-day. He was educated at Edinburgh schools and Glasgow University, and held pastorates in important churches in Scotland. He came to Montreal in 1883 and remained as pastor of St. Paul's Church until four years ago when he retired. He served as chaplain to the Montreal Garrison Artillery in the Riel Rebellion of 1885, and was given the rank of major. Dr. Barclay, in his prime, was probably the best known and most powerful preacher in the Dominion.

Lord Brassey, who is in his eightieth year, has just sailed for the Dardanelles on his private yacht, having placed the boat and himself at the disposal of the British Admiralty. Lord Brassey was educated at Rugby and Oxford, first elected to Parliament in 1865 and quickly won promotion, serving as Civil Lord of the Admiralty and later as Secretary to the Admiralty. Practically his whole life has been associated with naval work and he has also written a number of publications on naval matters, his book on "The British Navy" running into five volumes. He is recognized in Great Britain as a naval expert.

General Sir Philip Chetwode, who has been badly wounded in France, was the first man who received mention in the despatches during the present war for his services as commander of a cavalry brigade. General French is himself an old cavalry officer and demands a high standard from his men. For this reason the praise tendered General Chetwode means all the more. The Chetwode family traces its ancestry back to before the Norman Conquest, the present general being the twenty-ninth Lord of the Manor of Chetwode in an unbroken male line of descent.

Lord Islington, appointed Under-Secretary of State for India in the recent Cabinet changes in Great Britain, has been a visitor to Canada and the United States. He was formerly chairman of a commission which had to do with the regulation of street traffic in London. In which connection he visited the leading cities in the United States and Canada. He was formerly known as Sir Dickson Poynder and was a member of Parliament for some eighteen years when he was appointed Governor of New Zealand and raised to the peerage. Later he presided over a Royal Commission for the reorganization of the Civil Service of India, so that he is unusually familiar with conditions prevailing in that country.

BRITAIN'S DIFFICULT EXCHANGE PROBLEM

In Another Year of War She Must Finance Adverse War Balance of Over \$1,500,000,000

FOREIGN TRADE STATISTICS

Great Flow of Capital into Canada Has Perforce Diminished to Very Small Proportions as a Result of the War.

H. M. P. ECKHARDT.

When we compare the tendencies of our April foreign trade with that of Great Britain's external trade since the war began, we get a striking illustration of the huge problem confronting the British financiers in regard to maintaining the parity of foreign exchanges. Although Canada's difficulties in the way of financing the war and cleaning up the railway building contracts, etc., are important enough, looked at from our usual point of view, they fall into insignificance when compared with London's problems. Our chief difficulty so far is that the borrowings of our corporations in the international monetary centres have been perforce curtailed—in other words, the great flow of outside capital into this country has diminished to very small proportions. That circumstance naturally had a disturbing effect on a number of our industries, but it is as nothing compared to the disorganization produced in the British Isles as a result of the conversion of industrial plants to war purposes.

The effects of our changed circumstances are beginning to appear in our foreign trade statistics. The April trade shows an increase of \$10,000,000 over that for the same month in 1914. This increase occurs altogether in the exports of merchandises, which increased nearly \$11,000,000, or over 60 per cent. Most of the increase in exports is found in manufactured articles, which were valued at \$13,000,000 as against \$4,000,000 in April, 1914. This undoubtedly represents war orders, and perhaps some iron and steel goods shipped to the United States. The volume of these exports is likely to rise throughout the summer; and beginning September there will be added to them huge exports of wheat and other produce sold at high prices—providing the advent of Italy does not bring the war to a very speedy end. This prospective trade development promises to be of greatest assistance to our financiers in keeping our exchanges reasonably favorable. Let us now look at the British position.

Chancellor Lloyd George, in his budget speech, delivered early in May, gave a lucid explanation of why the exchanges between London and New York are likely to tend strongly in favor of the American centre. He explained that on the basis of 1913 as a normal year, the British imports exceeded exports by \$130,000,000. As against this the United Kingdom has, normally, claims against the outside world in the form of freights due to British shippers, insurance and other services, amounting to \$120,000,000 to \$150,000,000. This item added to the yearly interest on the £4,000,000,000 of British investments abroad, makes altogether £250,000,000. In other words, the normal balance in favor of Britain is roughly £220,000,000. We all know that much of this surplus is ordinarily reinvested—in the United States, Canada, other British dominions and foreign countries—so that the exchanges are kept in fair equilibrium without the necessity of huge movements of gold.

During the current year, assuming that the war lasts, the position of Great Britain as regards foreign trade will be entirely revolutionized. Mr. Lloyd George stated that the margin of imports over exports in 1915 will be £448,000,000, exclusive of the Government purchases abroad and exclusive of the purchases of British Allies; and he added: "We have got to finance the whole." The great disruption of the foreign trade thus indicated comes about through the fact that England's manufacturing energy, which usually produces vast values in cotton, woolen, iron and steel, and other goods for export, is now converted to something else. The factories are working to capacity on goods required for the British army and navy. This necessarily cuts down the exports most heavily. Then again, the imports are swollen to huge proportions as a result of this diversion of manufacturing energy. It is necessary to buy many things abroad, which ordinarily England manufactures for herself.

If the excess of imports be taken at the Chancellor's figures—say £450,000,000, and the British income by way of shipping revenue and interest on investments abroad be taken at the same figure as in 1913—£350,000,000—there would be roughly £100,000,000 of indebtedness to be provided for, over and above the large purchases by the Allied Governments. So far as the interest on the outside investments is concerned, it is not likely that there would be any falling off of consequence. There would certainly be some deductions representing the income from investments on the Continent of Europe now tied up or rendered unproductive; but the great bulk of Britain's investments abroad has been placed in countries which are not suffering directly from the ravages of war. With reference to the shipping income it is possible that there would also be some falling off. The British Government has requisitioned a large number of merchant ships for transport purposes, and the large trade between Britain and Germany and Austria has ceased entirely; also the Black Sea trade with Russia. On the other hand, freight rates are much higher than in normal years. In some cases they have doubled and tripled.

Considering the vast amount of war purchases by the Government in the United States and other countries it will be seen that the British financiers have a tremendous task in maintaining exchange parity. Altogether the Chancellor of the Exchequer estimates that over and above the £350,000,000 derived from freight and interest on foreign investments, London will have to find from £250,000,000 to £400,000,000 to settle indebtedness abroad, and, of course, everybody is wondering by what means this will be done. Obviously gold movements cannot take care of this vast requirement. Shipments of gold will have to be supplemented by sales of securities and in all probability British war loans in New York, even though the British government appear

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GERMANS ARE USING GAS ON EASTERN BATTLE FRONT

Petrograd, June 19.—Asphyxiating gas attacks are being made by the Germans on the eastern battle front on more extensive scale than at any other time since the war began. Near Goumine, the Germans released vast quantities of poisonous fumes over a line four miles long.

The Russian War Office, in an official communication, told of the use of gas but did not state what effect the use of the fumes had on the battle at Goumine. It is now admitted by the War Office that part of the Russian army east of the San River in Galicia has retreated across the border in Poland near Tarnograd under the assaults of the Austro-Germans under General von Mackensen, but other sections of the Russian force retired to Grodek Lake line, where they are entrenching to check the drive against Lemberg.

AMERICAN BANK CLEARINGS ARE SOMEWHAT IRREGULAR

New York, June 19.—Bank clearings this week show considerable irregularity, the total at all leading cities in the United States, according to Dun's Review, being \$2,798,349,759, a gain of 2.5 per cent. as compared with the \$2,741,983,445 of the same week last year; but a decrease of 35 per cent. as compared with the \$2,899,870,303 reported for the corresponding week in 1913.

New York City makes a favorable comparison with last year, showing a gain of 4.2 per cent., which in part, owing to the greater activity in the stock and other speculative markets, but compared with two years ago there is a falling off of 3.3 per cent.

The majority of the cities outside New York report smaller exchanges than in either year, the aggregate showing loss of 1.7 and 4.9 per cent. respectively. Improvement, however, appears at Cleveland over last year of 10.4 per cent., and over two years ago of 17.1 per cent.; at Kansas City 50.3 and 47.8 per cent.; and at Louisville 19.2 and 15.5 per cent., indicating that business is well maintained in volume in the territory tributary to those centres and to some extent offsetting the unfavorable returns at other points.

NORTHERN CENTRAL CO. DIVIDEND

Philadelphia, June 19.—Northern Central Company has declared the regular semi-annual dividend of 4 per cent., payable July 15 to stock of record June 30.

to be reluctant to begin borrowing from the American.

The above brief comparison of our financial problems with those of the United Kingdom shows that we have comparatively little justification for any general extension of the moratorium principle in Canada. It is well that only a few of the provinces have enacted legislation of this kind, and that their legislation is not very far-reaching in its scope. If Great Britain can transact business without a moratorium in spite of her enormous outlays, Canada should not find it necessary to introduce laws preventing or delaying collection of debts, excepting perhaps in some special cases.

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Writes a Doctor from an Ontario town.