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The Journal of Commerce

VOL. XXIX, No. 274

MONTREAL, TUESDAY, MARCH 30, 1915

THE BUSINESS MAN'S DAILY

ONE CENT

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ITALIAN TROOPS FACE AUSTRIANS
Regiments Moved to Frontier and Obstructing Trees and Houses Destroyed
DROPPED BOMB ON WARSHIP
Constantinople Statement Says Seaplane Attacked British Ship—Fortifications on Heights of Gallipoli Peninsula Demolished by Allied Fleets.



HON. DAVID LLOYD GEORGE. Who has come out strongly against the evils of strong drink.

(Special Cable to Journal of Commerce.)
London, March 30.—Italy is hurrying troops from their bases opposite Switzerland to strategic points opposite the Tyrolse frontier, where the Austrians have been concentrating troops, constructing military works, and clearing away trees and houses which would obstruct artillery fire. The Italian troops moved were regiments based on Como, Varese and Brescia, according to Swiss dispatches.
A Turkish seaplane has dropped a bomb on a British warship cruising outside the Dardanelles. It was officially announced to-day in Constantinople. No mention is made of the result of the aerial attack. Bulgaria is reported to have held up artillery and ammunition on the way to Turkey through Bulgaria.
Bombardment of the forts at the entrance to the Narrows in the Dardanelles has resumed. Fortifications on the heights of the Gallipoli peninsula were destroyed by the accurate fire of the big guns of the fleet. Previous to this the fleet separated in two divisions, one shelling Yenil Shehr, on the Asiatic side, and the other firing on the property of the British consul at Sedd Al Bahr, which the Turks have fortified. During the engagement aeroplanes carried out successful reconnaissances over the Narrows, sometimes at an altitude of 1,500 feet.
The Turks are reported to have lost the service of the Breslau, as well as the Goeben, which were turned over to Turkey at the beginning of the war by the Germans. A despatch from Petrograd to the Daily News says that the Russians have saved the Black Sea of the enemy's ships, and that the Breslau, in flight before the Russians, carries a mine, possibly such a mine as it is permanent out of action.

The Germans in Belgium have again brought their heavy artillery into action against the Allies, the bombardment being especially furious against the lines on the Yser, where the Belgians are held. The ruins of Nieport were shelled again, as was Nieport-Bains, two miles to the west. A bridge across the Yser was damaged by shell fire, but it is stated that this was not of great importance. Elsewhere on the front it was comparatively quiet except in the Arzone, in the region of Bagin, where the trenches are very close together, there was much bomb throwing.
Travellers arriving in Amsterdam from Germany tell of a report in Berlin that General Von Klueke's wounds really are severe. They say that after a stormy interview with the Kaiser, General Von Klueke went to the most dangerous point of his lines, with the apparent intention of not surviving. Another rumor is that he is to be succeeded in command by Prince Eitel, the Kaiser's favorite son, and the least popular of them all.
David Lloyd George, Chancellor of the Exchequer in replying to a deputation of the Shipbuilding Employers' Association, who urged that the sale of intoxicating liquors be stopped during the war, intimated that such a measure might be adopted.
Petrograd reports that the German counter-offensive on the west bank of the Niemen has been crushed. Some of the severest fighting on this front before the Russian success was complete, occurred on the frozen surface of Lake Dvina, where packed bodies of German troops who succeeded in piercing the Russian lines, were later annihilated.

ITALY NOW NOT SO SURE THAT SHE SHOULD ENTER WAR.
Rome, March 30.—Another sudden shift in the diplomatic situation has postponed Italy's entrance into the war.
The cause of the change in the governmental plans has not yet been ascertained but it was learned from a reliable source by the International News Service to-day that Italy will not embark in a general European conflict until May if at all.
Within the last two days the interventionist press has curbed its activities, and instead of urging the government to open hostilities at once, intimates there is grave doubt of the advisability of such action at present.

AMERICAN REPLY READY.
Washington, D.C., March 30.—The American reply to Great Britain's order-in-council was presented to the Cabinet for final review to-day. President Wilson in conversation with callers intimated that the note will be despatched to London within 24 hours. He stated it will be made public directly after it is presented to the British Government but declined to comment on its contents.

TURKEY OFFERS BULGARIAN TERRITORY FOR HER CONTINUED NEUTRALITY.
Paris, March 30.—A news agency dispatch from Athens says confirmation has been received in diplomatic circles of a report that Turkey has offered Bulgarian territory in Europe extending to the Enosmidia line, in exchange for her continued neutrality.
This would include Adrianople. The dispatch adds that Field Marshal von Der Goltz is acting as the Turkish agent in the negotiations.

BOMBARDING RHEIMS AGAIN.
Paris, March 30.—The official communique says: "The day of March 29 was calm on practically all the front."
"A German aviator threw bombs on Rheims. Two persons were wounded. One projectile fell on the Apse of the Cathedral."
"A well directed fire from our artillery forced the enemy to evacuate in disorder the village of Hendicourt, north-east of St. Michel."

AMERICAN NOTE TO GERMANY AS TO SINKING OF STEAMER STILL DELAYED
Washington, D.C., March 30.—The American note on the sinking of the William P. Frye, by the German raider Prinz Eitel Friedrich, still is being delayed by technical questions as to the ownership of the cargo. President Wilson gave this information to callers to-day.
He also stated that he had no knowledge as to whether the Prinz Eitel Friedrich would be interned or not.

Men in the Day's News
Mr. H. W. Lavers, whose death has just occurred in Montreal, was for twenty years store manager for Henry Birks & Sons. He entered the services of the firm at the age of fourteen as messenger boy, and worked his way up to the position of store manager. In the fifty years he was associated with the firm he saw it grow from a small shop to one of the largest Jewellery firms on the Continent. Mr. Lavers was born in Montreal in 1851. He was prominent in Masonic circles and took an active interest in religious work, especially in connection with the Congregational Church.

Mr. George H. Locke, who was forty-five years of age yesterday, was born at Beamsville, Ont., and educated at Brampton and Collingwood Collegiate Institutes, at Victoria College and Toronto University. For some time he was a lecturer at Victoria College, later at Chicago University and then at Harvard. For two years he was dean of the School of Education at Macdonald College, St. Anne de Bellevue, going from there in 1908 to Toronto, where he has been public librarian. Mr. Locke is regarded as one of the greatest specialists in education on the Continent. He is the author of "The Education of the People," and is a frequent contributor to educational journals both in the United States and in Great Britain.

Mr. Joseph B. Choate, who despite his eighty-three years, recently appeared at a banquet at New York and proposed the health of the Honorable Ellihu Root, the guest of the evening, is probably the best after-dinner speaker on the continent. He was born in Salem, Mass., in 1832, and educated at Harvard University. He was admitted to the Bar in 1855, and has been one of the outstanding figures in law, politics and diplomacy in the United States. He was formerly a United States Senator from New York, an Ambassador to Great Britain and a delegate to the Peace Conference at the Hague. He is probably best known for his brilliant addresses and witty after-dinner speeches.

Premier Asquith, on whose shoulders in the last analysis have fallen the burden of the war, enjoys to an unusual degree the confidence of the British public. He is not an orator in the popular sense, yet his speeches are taken as models. His terse phrases, clear incisive language and wonderful knowledge of finance are traceable to his journalistic experience. For years Asquith, when a struggling barrister, added to his income by writing to the "Economist." Asquith succeeded to the Premiership on the death of Sir Henry Campbell-Bannerman and, despite the tremendous problems confronting Great Britain during the past decade, has not only held on to power but has crystallized into legislation more progressive measures than any Premier since the time of Gladstone.

Mr. F. S. Spence, of Toronto, who has just celebrated his sixty-fifth birthday, was born in Donegal, Ireland. He came to Canada as a child and was educated at Toronto Normal School. For several years he was engaged in public school teaching, but since 1882 has devoted himself to journalism and to public life. He is a pronounced temperance advocate and is probably the best known lecturer on temperance in Canada. Mr. Spence has been an alderman and member of the Board of Control of Toronto for a great many years, and ran on one or two occasions for the mayoralty chair. He is probably the keenest student of municipal matters in the Dominion and much of Toronto's progress in a civic sense is due to the splendid service rendered by Mr. Spence.

Herr von Kuhlmann, Germany's new Ambassador to Holland, is likely to cause friction between the Netherlands and Germany. Herr von Kuhlmann was secretary and Counsellor to the Germany Embassy in England until the outbreak of war, and is the man held responsible for the belief in Germany that civil war would break out in Ireland immediately after it was declared on Germany. The British Government has in its possession evidence that von Kuhlmann was the instigator of German intrigues in Ireland during the early part of last summer and that he was responsible for the distribution of German gold and the supplying of German arms to the Irish. After leaving Great Britain he was sent as Ambassador to Constantinople, where he informed the Turks that the Allies were hopelessly beaten, that Paris had been captured and Great Britain's fleet destroyed. He persuaded Turkey to cast in her lot with Germany and Austria. It is believed that he will cause friction in his new position.

TRADE SITUATION IS SOURCE OF ANXIETY
Many Workers in Great Britain are Doing Much Less Than Their Best
MORE WAR MATERIALS
British Government Will Not Hesitate to Take Any Step to Secure Object They Have in View. Highest Possible Output.

(By W. E. Dawding.)
London, Eng., March 18 (by mail).—The cardinal point upon which the ultimate result of the war is turning was hinted by Lord Kitchener in his statement in the House of Lords on the eve of the Parliamentary recess. In effect he said that while the general and military situation was satisfactory, he felt bound to admit that the industrial situation was a grave source of anxiety. As I suggested in a previous letter, not merely the duration of the hostilities, but even victory itself will depend in the long run upon the productive capacity of the nation.

The recent troubles in the labor world in this country have unquestionably hampered and delayed the supply of arms, ammunition and equipment, and it is distinctly unpleasant to learn that in the opinion of the military authorities Trades Unionism is having a restrictive effect upon production. Lord Kitchener went further still, declaring that there were good grounds for believing that many of the workers were doing less than their best.
No one, of course, suggests that there is any malice lying hid, but unfortunately there seems to be evidence of the foolish idea that the war is going very well and that consequently there is no real need for any display of unusual energy. Incidentally it may be pointed out that this notion is not without its effect upon recruiting. The result has been to force the hands of the Government and compel them to ask and obtain from Parliament authority to assume a dictatorship over the forces that control production.
In Close Contact With Labor.
The problem now will be to extract the last ounce of productive value out of each man and each machine in the country. As far as labor is concerned the new order of things will have two advantages which are bound to have an enormous influence on the problems which will require solution when war is over.
In the first place the State will have been brought into close contact with labor and will find itself dealing at first hand with the causes of "unrest." Upon the methods employed during the next few months to give the workers what Lord Kitchener has described as "some of the benefits which the war automatically confers on these great (armament) companies," will depend upon the concessions that the masters will be compelled to grant later on, in order that the men may have their fair share of the benefits equally automatically conferred by labor and good markets. Labor will undoubtedly regard the immediate future as a precedent for the future that is more remote.
In the second place a similar species of Government control may prove not merely useful, but possibly even essential to a sound system of industrial reconstruction.

Living Upon Their Savings
At the moment the belligerent countries are living more or less on savings, either actual or potential. Germany and Austria, in spite of their relatively large gold reserves, have binned their two empires beneath an avalanche of paper currency. France and Russia, though they have not imitated this example to any very serious extent, have ceased to produce for others than themselves and so cannot save. England alone goes on producing for export, and so can keep her foreign credit going. Moreover, we have not hesitated to levy war taxation. This British war taxation has been hopelessly misunderstood by the enemy. In the Budget debate on the German Reichstag the Minister of Finance stated that Germany had succeeded where this country had failed, inasmuch as there had been no necessity to supplement the German war loans by internal taxation. But this country has drawn a very rigid line between domestic and war expenditure and it is the deficit in the former that has been met by increased taxation. In any case the fact cannot be construed into a sign of weakness. It is rather a sign of strength that fresh iron restraints have been discovered full enough to contribute a quota toward our national needs without experiencing a very serious strain.

Re-entering World Markets.
But the time for comparison is not the present, when there is little need among belligerents for credit abroad. The critical moment will come later when the great European countries begin trying to re-enter the world markets.
Take, for example, the case of Germany. How is she going to relay the foundations of her foreign credit without mortgaging German production for years to come? While all her industry is being directed toward one object, namely, the production of goods essentially necessary either on the battlefield or at home, she has no time, even had she the opportunity to manufacture for the foreigner. Hence she can establish no reserve of foreign credit.
Great Britain, on the contrary, continues to ex-manufactured services which have been one of our soundest assets in the past. The volume is of course diminished, but it reached its minimum two months ago. Unless the demands of our Allies for munitions of war swell to unforeseen proportions, our export trade will go on expanding even during the war, and with it our credit in foreign countries.

Co-Ordinated Industrial Activity
It is precisely at this point that the value of a system of co-ordinated industrial activity is to be seen. There will result not only economy in working expenses and elimination of waste in material and labour, but dislocation of industry will be reduced to a minimum. With every factory working to the greatest economical advantage, and with labour systematically and scientifically distributed, the impulse would be felt not merely in the production of

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FRENCH LOAN ARRANGEMENTS
New York, March 30.—Arrangements for the French loan will probably be completed to-day so that an announcement can be made before the close of business this afternoon or early to-morrow. It is understood that when all details are arranged the loan will be made attractive to dealers and selling houses as well as to investors. It will be underwritten by a strong banking syndicate headed by J. P. Morgan & Co. The loan will probably be for \$50,000,000, represented by one year 5 per cent. treasury notes of the French Government. Nothing definite is expected on the English loan for several days.
warlike material. It is bound to re-act on industry generally, and we confidently look to see increased production all round.
At any rate this much is certain. The Government will not hesitate to take any step to secure the object they have in view -- the highest possible output. The country expects and demands as high a standard from its workers as from its soldiers and sailors, and no impediment will be allowed to stand in the way. The results, for example, of the total prohibition of vodka in the Russian Empire have made themselves felt over here.
Not Even Remotely Threatened
"I do not suggest that the liquor trade in Great Britain is even remotely threatened, but we are certainly on the brink of some drastic changes. Both Lord Kitchener and Mr. Lloyd George have let fall some significant hints, and I think the country generally will be content to accept whatever restrictive measures may be proposed without too much grumbling.
As Lord Kitchener said in the House of Lords: "The seriousness of the position as regards our supplies has only to be mentioned, and all concerned will agree to waive, for the period of the war, any of those restrictions which prevent in the very slightest degree our utilizing all the labour to the fullest extent that it is possible."

AUSTRO-GERMAN FORCES ON VERGE OF GENERAL RETIREMENT.
Petrograd, March 30.—Complete victory for Russian troops on the front west of the Niemen River in Poland, with further success in Carpathians and in the Caucasus, was officially announced by the War Office.

The Germans advance against Niemen was fully checked on March 27th, and the Russians have now taken the offensive in that region.
In the Carpathians, the Russian corps, which penetrated Dukla Pass and entered Hungary, is driving a wedge between the eastern and western Austro-German forces which are reported to be on the verge of retirement all along the front.
Turkish troops in the Caucasus have been defeated in the Tschorokh Gorge but by a raid into Russian territory they succeeded in reaching Artvin and set that town on fire.

YOUNG GERMAN SOLDIERS DEPORT THEMSELVES WITH GREAT VALOR.
Berlin, March 30.—Defeat of Russians operating against Tilsit and the German counter-offensive resulting in the capture of Taurrogen were effected by the baptism of fire with great valor.
To-day's report from the German General Staff states that the new soldiers won praise from Prince Joachim, son of the Emperor, for their valiant work.
In addition to their success at Taurrogen, German troops also inflicted heavy losses on the Russians at Rzeszopol. Three thousand Russians were killed in the fighting there.
Prisoners taken by the Germans in the recent fighting total 31,000 men. They have also captured seven machine guns.
Russian attacks on the Bzura River have been repulsed, the official report adds.

FINN RAISES HOPES OF AN ORE BODY ON LOWER LEVELS
Toronto, Ont., March 30.—Only routine business was transacted at the Seneca-Superior's annual here to-day but President Worth, who is just back from the mine, told the Shareholders of a find of ore in the veins below the four hundred foot level that raises hopes of an ore body on the lower levels.
No change was made in the directorate.

LONDON MONEY MARKET
London, March 30.—Call money was easy at 1 1/4 per cent. with bills rather easier at 2 1/4 to 5-16 per cent. Six months treasury bills were allotted on an average of about 2 1/4 per cent. Tenders of £98 11s 11d obtained 47 p.c. A further issue of 3 months bills is expected.

The markets were cheerful with a fair amount of business in some stocks. American stocks were firm in tone. Rubber shares advanced, and the oil shares were quiet and firm.

ALL THIS WEEK
Tue., Thurs., Fri. & Sat.
Savings—15c to 75c
BROWN