

THE MARKETS.

Canadian, New York and London closed.
Winnipeg July wheat closed 1 1/2c lower at 97 3/4c.

THE WEATHER.

Probabilities:—Moderate variable winds; fair and warm.
The sun rises at 5.08 a.m. and sets at 7.42 p.m.
Next British mail, via Quebec, closes on Monday at 6 p.m.

BRITAIN FACES CRISIS WITH SOBER CALM

Her Teeth Set To Go Through to the Bitter End

PRESENTS A UNITED FRONT

National Feeling, Given Up a Week Ago to Local Quarrels and Amusement, Now Concerned Only With National Peril—Preparations of Army and Navy.

(Canadian Press Despatch.)

London, July 31.—Facing the most perilous epoch in their history since the spectre of a Napoleonic invasion, the British people are the calmest nation of Europe. Yesterday they felt that the decision whether Great Britain was to be drawn into a general European war was hanging in the balance; to-day they believe it is a probability rather than a possibility.

There is no mistaking the fact that with the exception of a minority of peace advocates whose voices are hardly heard and seem to carry little weight, the nation's mind is reconciled to war.

There have been no demonstrations, no flag-waving, no music hall patriotism, but there is an apparent among all classes a sober and grim determination. If the Government declares that the nation's interests and obligations require her to take up arms side by side with Russia and France, to see the business through to the bitter end.

There will be no flinching.

The belief of the average man is that the existence of the whole of Europe as an armed camp, nervous and jealous, could have but one culmination, and if the hour for a general settlement has struck there will be no flinching.

Marvelous Change in Week.

The change that has swept over the temper of the country within a week is marvellous. A week ago the people were wrapped up in prize fights, the Goodwood races, the Cowes regatta, vacations on the continent; to-day they are asking only "Can the British fleet play its part in protecting the island from invasion, which means, in the first instance, can it destroy the German Emperor's navy?" They are concerned also as to whether the food supplies can be maintained, and to what extent private fort-

tunes will be impaired by the financial upheaval of the war.

Naval Forces Mobilized.

The military situation stands where it did last night. The mobilization of the naval forces has been completed, and the army is on a war footing, except for the calling out of the territorial forces. The machinery for their mobilization requires only a word to be set in motion.

The request of the War Office that the British newspapers refrain from publishing any news of movements of the army and navy has been met with a patriotic response. The London evening papers publish news concerning almost all the armies of Europe, except that of Great Britain, and regarding the whereabouts of the British fleet and the preparations of the British army they say nothing. There is a popular belief that the fleet is in the neighborhood of Flushing, in the North Sea, but the truth is known only to the members of the Government.

Naval Stations Prepared.

Dover and Sheerness are virtually on a war basis, and protective booms are ready to be drawn around at a moment's notice. These and other harbors have been mined. The Calais and Ostend steamers are likely to be transferred to Folkestone from Dover.

The War Council of the British Cabinet is composed of Mr. Asquith, the Prime Minister; Sir Edward Grey, Secretary of State for Foreign Affairs; Viscount Haldane, Lord Chancellor; and Winston Spencer Churchill, First Lord of the Admiralty. They are the same Ministers who directed the joint diplomatic and military policy of the country during the Agadir crisis. They remained in conference all day yesterday after the last two Cabinet meetings.

A Final Effort For Peace

(Canadian Press Despatch.)

St. Petersburg, July 31.—Great Britain is making a final effort to find a formula acceptable to the antagonists, but there is little hope of success, owing, as is announced here, to Germany's attitude.

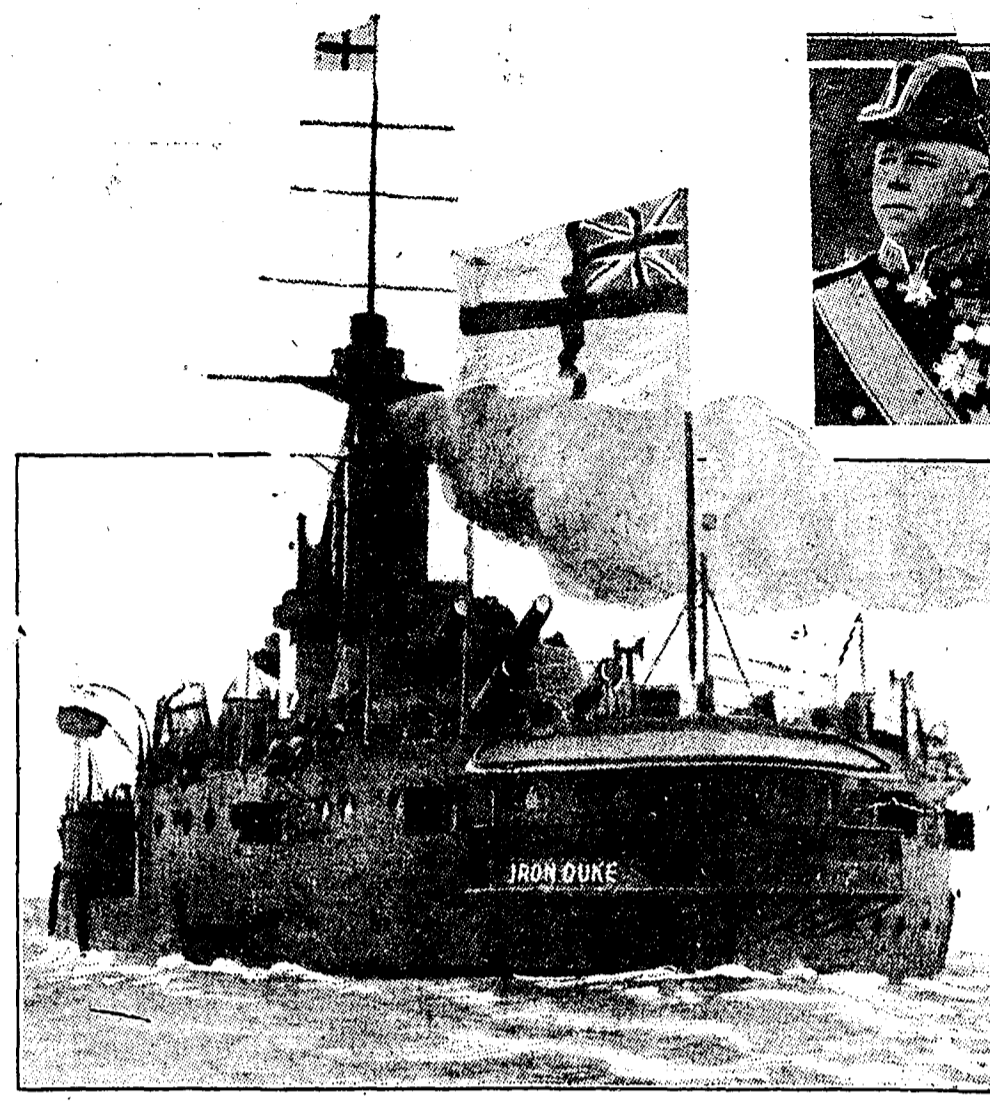
Paris, July 31.—France and Great Britain are making a final effort to find a way out compatible with the dignity and interests of both Russia and Austria. This is why Premier Asquith postponed making a further declaration in the British Parliament to-day.

(FOR ADDITIONAL WAR NEWS SEE PAGES 2 AND 3.)

THE NEWS OF THE DAY

- ### CONTENTS.
- Illustrated Magazine section, 4 pages.
News section, 24 pages.
Detailed weather report, page 6.
1. British face crisis with sober calm.
2. Canada's preparations. New York Stock Exchange closed. Final effort for peace.
3. Hamilton news. War news (continued).
4. Assassination of a famous Socialist.
5. War news (continued).
6. Editorial.
7. Dairy industry in Saskatchewan. Legal.
8-7. Toronto news. Railway time-table.
8-9. Pages for women.
10. The Circle of Young Canada.
11. Music and drama.
12. The readiness of the home fleet.
13. Serial story. Peter McArthur.
14. Book reviews. Sunday school lesson.
15. Good wheat crop in Simcoe county.
16. Strong comment regarding liquor cases.
17. Financial.
18. Commercial.
19. Sporting news.
20-21-22. Condensed advertisements.
23. Navigation news. This man of the hour. Sir Edward Grey.
24. U. S. Senate acts on currency measure.
- TORONTO.**
- Cornor's Jury found A. Orpen, jun., contributor to newswoman's death by error in judgment.
- Liberal-Temperance forces polled 13 per cent. of the total vote polled at the recent Provincial elections.
- A. B. Stanton, an aged employee of the railway company, fell down an elevator shaft at the Union Station and was killed.
- The Provincial Police have ordered a reward of \$500 for the apprehension of Dr. C. K. Robinson, wanted for the killing of Blanche Yorke at Tamworth.
- ### THE DOMINION.
- The Cabinet will hold an emergency meeting to-day.
- A Liberal Association has been organized

FLAGSHIP OF THE HOME FLEET



The fleet flagship of Admiral Sir George Callaghan (inset), Commander-in-Chief of the home fleet. The Iron Duke, first of the five armored ships of the 1911-12 program to be completed, was laid down at Portsmouth in January, 1912, and finished in January of this year. She was commissioned last March by Captain R. N. Lawson. She is the first British Dreadnought to carry 6-inch guns behind armor for the repelling of torpedo craft. These weapons throw a 100-pound projectile, and are the largest man-handled guns in the navy. Precautions have been taken to protect the vessel against overhead attack from dirigibles and aeroplanes, and she has, for example, two 12-pounder guns on high-angle mountings. Her main armament is ten 13.5-inch guns of the latest kind. She can use up ammunition at the rate of about £10,000 a minute. She is 620 feet long, nearly 100 feet longer than the original Dreadnought that gave its name to the class.

LAST GREAT MARKET OF WORLD CLOSED

Unprecedented Occurrence in History of Finance

WERE FOUR ASSIGNMENTS

Stock Exchange May be Closed All Summer — News That Germany Had Declared a State of War Responsible for Close.

(Canadian Press Despatch.)

New York, July 31.—The vast and complex machinery of the securities markets of the world came to a complete halt to-day for an indefinite period. It was an occurrence unprecedented in history.

With all Europe seemingly on the verge of war, the continental exchanges closed several days ago, and the London market following suit to-day, the New York Stock Exchange would have been called upon to bear the weight of the world's financial burdens. It had virtually done so all the week, for, while the London market was open, transactions were only nominal. The unloading of stocks here by panic-stricken Europe during the last four days, and the consequent collapse of prices, made history in Wall Street.

Last Market Closed.

To continue longer to bear the burden, in the opinion of the bankers, whose influence determines the course of events in the street, would have been hazardous in the extreme. After a period of hesitation and extreme nervous tension it was decided ten

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BANKERS ASK FOR THE SUSPENSION OF BANK ACT

SITUATION, HOWEVER, DOES NOT WARRANT INCREASE IN SUPPLY OF LEGAL TENDER.

(Canadian Press Despatch.)

London, July 31.—A deputation of the leading bankers called on Premier Asquith this evening for the purpose of requesting him to suspend the bank act, according to a local agency. The Premier promised to consult the Chancellor of the Exchequer and to consider the request fully.

It was officially announced tonight that the conference, consisting of the Premier, the Chancellor of the Exchequer and representatives of the Bank of England and other great banks, decided that the situation does not at the present time justify any emergency action to increase the supply of legal tender. If, however, future events necessitate it, the Treasury will take immediate action.

War Summary

A general European war is still greatly feared, though it may yet be averted. The day's developments revealed more widespread precautions and preparations, and intensified the anxiety and uncertainty.

Some ocean steamship companies cancelled sailings.

Germany, by the Emperor's proclamation, is under martial law, though this is not positive evidence of a determination to fight.

German warships displayed aggressive movements off the coast of Denmark and were warned from proximity to Copenhagen.

French soldiers manoeuvred close to the German frontier.

The Russian mobilization of army and navy is completed.

The Bank of England experienced a rush for gold and raised its discount rate to eight per cent.

A report that the British Government had asked the railways to be ready to move troops is not confirmed.

Telephone and telegraph communication between countries actually or potentially at war is being interrupted.

The C. P. R. steamer Empress of Asia has been requisitioned by the British authorities at Hong Kong.

GERMANY'S MOVEMENTS CAUSE UNEASINESS

FRENCH TROOPS WITHDRAWN FROM FRONTIER TO AVOID COLLISION.

(Canadian Press Despatch.)

London, July 31.—A startling semi-official note was issued at Paris late to-night, dealing with Germany's threatened military movements on the French frontier, and dealing with breaches of frontier rights and the cutting of railways by German outposts, which the Cabinet council discussed.

It is understood that the French troops were withdrawn a short distance from the frontier to avoid the danger of possible collision.

MODIFIED!

London, Aug. 1.—An extraordinary Council of Ministers held at Peterhof, according to a St. Petersburg despatch to The Times, was confronted last night with a modified situation, resulting from assurances by the German Ambassador following upon messages exchanged between the Russian Emperor, the German Emperor and King George.

GRAVE AND SERIOUS, SAYS PREMIER BORDEN

Hurrying From Muskoka to the Capital

A SIGNIFICANT REMARK

Awaiting Despatches at Ottawa From the Colonial Office—Though Reticent, a Few Points of Procedure Are Apparent.

(Canadian Press Despatch.)

"I consider the situation so grave and serious that I deem it my duty to hasten back to the capital immediately," was the brief and significant statement of the Prime Minister, Sir Robert Borden, to The Globe last night.

The Premier reached Toronto early in the evening, and proceeded to Ottawa on the night train. He came at once from the Muskoka Lakes, where he was holidaying at the popular summer resort, on receipt of messages from Ottawa transmitting, it is understood, the substance of cables from the Colonial Office. He stated he had planned to remain in Muskoka for at least another two weeks.

Awails News at Ottawa.

Sir Robert was exceedingly reticent regarding the immediate proposals of the Canadian Government and concerning its communications with the Imperial Government. "So far as any official statement was concerned the Premier intimated that he was not yet in a position to even indicate what steps might be taken. Any decision reached would be based upon information awaiting him at Ottawa.

There is, however, no doubt that, in event of Britain being involved in the war configuration which seems to threaten Europe, Canada will promptly communicate her intention of doing all in her power to co-operate with and assist the motherland.

Would Call Parliament.

The first step taken will probably be the summoning of an emergency session of Parliament for the purpose of volunteering troops to the extent of 20,000 to 25,000 equipped and trained men. It is necessary for Parliament to authorize action before troops can be sent.

It is probable that the Premier, after taking counsel with his Cabinet colleagues, will ask Sir Wilfrid Laurier to confer with him with a view to determining united Canadian action.

The Canadian Offer.

No official call has yet been issued to the Canadian soldiers, but the Militia Council is understood to have already been put into touch with the situation, and the militia will be found fully prepared on short order. Should necessity arise the Government has no doubt that Canadian mobilization would take place speedily and efficiently.

Canadian troops would, in all probability, be transported, paid and maintained from the Canadian treasury.

CANADIAN FORCE TO CONSIST OF REGIMENTS

Volunteer System of Boer War Would be Abandoned.

PREMIER IS HURRYING TO OTTAWA

Government Could Raise 100,000 Men if Officers and Equipment Were Available—Lack of Navy That Might Have Been is Felt—Parliament May be Called

(Special Despatch to The Globe.)

Vancouver, B.C., July 31.—Sir Robert Borden, Premier, issued an order to-day to Commander-in-Chief of the home fleet, Admiral Sir George Callaghan, to cancel his Berlin Sea trip for the present and remain ready for duty in the vicinity of Victoria.

Emergency Cabinet Meeting.

Ottawa, July 31.—With the hurried return to-morrow of Premier Borden to the capital from Muskoka, an emergency meeting of the Cabinet Council will be held to discuss the war situation and the part Canada is to take in complying with the expected call for help from Great Britain. Meanwhile both in the Militia and Naval Departments preliminary preparations for war are being made with feverish haste.

The Naval Department is arranging for defence as far as the limited means at its disposal will allow. The Militia Department, while planning for emergency land defences, is devoting most of its energy to perfecting arrangements for speedily equipping and mobilizing an army of 20,000 to 30,000 men from the active militia and permanent corps for transport to England to join the British forces as soon as the call for help comes. In militia circles here it is believed that the expected general European conflict breaks out the British force will find their chief scene of operations in Belgium, and it is there that the Canadian troops under the command of Col. Sam Hughes are likely to be sent.

Officers' Equipment Scarce.

The chief problem confronting the department is not men, but equipment. Many messages have been received from officers of the militia all over the Dominion offering to go on active service, and there is no doubt but that an army of at least 100,000 men could be speedily raised in Canada. But in the present crisis it is doubtful if there is a sufficient number of properly trained officers or sufficient equipment of all kinds to meet the needs of a Canadian contingent of more than 20,000 men ordered out for immediate active service. The lack of properly trained officers is the biggest handicap of the department at the present moment. There are ample supplies of rifles and ammunition, but it is feared that there will be difficulty in regard to other necessary equipment for active service.

Permanent Force Ready.

The permanent force of nearly 3,000 men of the Royal Canadian Regiment and the Royal Canadian Engineering and Artillery Corps are ready

for war at any time. All leave of absence has been cancelled, and arrangements are being made for promptly mobilizing at least a considerable portion of these permanent units at Quebec and Halifax. They would be the first to be ordered out for active service, and Halifax and Quebec would be the ports from which the transports would leave for England. The Minister of Militia is expected to be in Quebec on Sunday or Monday to look after defence preparations there.

The Navy That Is Not.

The Naval Department is also busy with warlike preparations, although unfortunately the ten cruisers and destroyers arranged for in 1911 under the Laurier naval service act, which might have been available are still represented only by the accepted plans pike-entailed by the Government. The Rainbow, an Esquimaux with steam up and manned by 300 British naval reservists, the men taken from the Globe, happens, there is now only one Canadian cruiser on our Pacific coast, the Rainbow is a more heavily armed vessel. She is the only present prospect to the Pacific coast, but under the present circumstances she is

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GERMAN FLEETS WARNED OFF DENMARK'S COAST

Acts of War Committed on the High Seas by the Kaiser's Torpedo Boats—Denmark is Mobilizing.

(Canadian Press Despatch.)

Copenhagen, July 31.—Preparations for the mobilization of the Danish army were completed to-day. A declaration of neutrality is expected to-morrow.

Both German and English warships were observed to-day in Danish waters. The German torpedo-boat destroyers steamed close to the fortress at Middelfrond, a few miles from Copenhagen. The warships retired only after being commanded to do so by the Commandant of the fortress, who threatened a recourse to force if they did not leave.

A big German naval fleet was reported to-day off the south of Holland.

A German squadron, cruising off Langels Id. in the Great Belt, is stopping all vessels to investigate their nationality and the destination of their cargoes. German torpedo boats have been observed near Geddesen and in the Cattagal, and German warships are patrolling between Sweden and Ostland.

A big Russian squadron has been seen outside the Danish Island of Bornholm, in the Baltic.

Denmark has called out all persons liable for active service, particularly for the protection of the coast. Parliament, which has not been sitting, has been summoned to meet to-morrow night.

Cable and telegraphic communication between Denmark and Germany has been suspended by German authorities. Telegraphic communication to many places in Germany has also been suspended.

All the editors of the Danish papers at Hadersleben, a seaport of Prussia, in Schleswig, have been arrested by the German authorities and imprisoned in the fortress.

The Danish-German frontier is barred by German troops.

ADMIRAL VON TIRPITZ



He designed the German Naval Law, has been Secretary of State for the Navy for fifteen years, and is known as "Triplite the Eternal," having survived the vicissitudes of politics longer than any German except Bismarck.