

The Toronto World

FOUNDED 1890

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A Railway Revolution is Sweeping North America.

Public ownership of railways in North America has got this far: In the United States the railways have all been taken over by the nation because of an absolute fall-down in private ownership. Every one admits this now, except obscure papers like The Montreal Gazette.

And the United States, both by congress and by the government, are now working out their consolidation, reconstruction and improved efficiency on the strength of the credit of the nation. Further, everyone over there admits that they will never go back into private ownership. And those who hold the securities of these roads will be only too glad to get out with the money they have in them or something like it.

In the meantime all the exploiters, the manipulators, the Wall street crowd, the railway lawyers, the railway politicians, the newspapers that fight for piracy of the public, are being squeezed out forever.

To secure service for the public and to knock off all the barnacles—this is the new aim of the government and the people. It is the greatest revolution ever attempted in the United States.

It is going on, step by step, with that great nation's regeneration, brought about by participation in the world-wide war for liberty and for the rights of all peoples as against German autocracy. Public rights, are against financial autocrats and against the political autocrats of ruling classes.

In Canada we've got this far: That our government has declared that it intends to nationalize the Grand Trunk, the Grand Trunk Pacific, the Canadian Northern, along with the Intercolonial and the National Transcontinental. And they have not yet said that the Canadian Pacific is not to be included. The Canadian Pacific, even if it be not taken over now, will be later on. But this also is the temper of the Canadian people, who have the say, that the Canadian Pacific will never be allowed to be dismembered from its assets or that those enormous assets will be allowed to escape from within the range and operation of war taxation. The shareholders will never be allowed to draw more than a reasonable income; and that in any event full accounting must be had for what Canada as a nation contributed to the treasury and the upbuilding of that great railway. That being the case the shareholders will never have so good a chance as they have today, of getting a fair settlement for a transfer of the road and its assets to the nation.

Those who think they control the road and think they control the shareholders have not a common interest with the owners. The shareholders can do best by recognizing the nation and working with it; not in listening to "the big men," who have their own ambition rather than the interests of the shareholders and the public at heart.

Public ownership is putting high finance with all its attendant evils out of the railway business both here and in the States. Service, not exploitation, is what the war is forcing forward in giant strides in connection with the railways of the two great American democracies. And no combination, no special pleading by "finance," by politicians, least of all by newspapers, can stop this forward movement.

Germany has public ownership and military autocracy. America is to have public ownership and democracy.

Ninety Per Cent. False.

Capt. Bailey's statement that ninety per cent. of the men in the British trenches on Christmas night were drunk does not sound reasonable, and the unsupported declaration does not inspire confidence in Capt. Bailey's judgment. Such a statement should not be made without the strongest corroborative evidence. Assertions of this sort, with-

out the strongest backing, only injure the cause which they are expected to assist.

Capt. Bailey declined to vouch for the statement himself. He had only heard it from an officer who was present. Was this officer, one of the ninety per cent. or one of the ten? In any event his name and bona fides should have been produced. Without these, without corroboration, and without Capt. Bailey's own endorsement, the story should never have been uttered to public. It does not hold water.

Who Counsels Peace?

The London Times recently published the following poem:
(From The Times, April 21, 1914.)
Who counsels peace at this moment of the hour?
When God hath given deliverance to the oppressed?
And to the injured power?
Who counsels peace, when Vengeance like a flood
Rolls on, no longer now to be reprieved?
When innocent blood
From the four corners of the world
Cries out
For justice upon one accursed head?
When Freedom hath her holy banners spread
Over all nations, now in one just cause united;
When with one sublime accord
Europe throws off the yoke of abhorred
Loyalty and faith and ancient laws
Follow the avenging sword?
Woe, woe to England! woe and endless shame,
If this heroic land
False to her feelings and unspotted
Hold out the Olive to the Tyrant's hand.
—Robert Southey.

DR. A. E. HANNA, M.P., DEAD

Member for Lanark Expires Suddenly in His Home at Perth.

Perth, Feb. 27.—Dr. A. E. Hanna, M.P., died suddenly at his home here today from heart failure. Tuesday evening he came home from visiting his mother at Soperton, and complained of not feeling well. When Mrs. Hanna went to his room this morning she found him dead in bed.

In December, 1913, he was elected to the federal house to represent South Lanark in the government. He was a member of the House of Commons at the last Dominion election carried by the amalgamated ridings of North and South Lanark by a large majority as a Unionist-Conservative.

Germans to Keep Advancing, Despite Russian Peace

London, Feb. 27.—In a despatch filed at Petrograd yesterday a correspondent of the Exchange Telegraph Company says that German operations in the region of Pskov enquired of the German General Hoffman whether in view of Russia's acceptance of the German peace terms they should continue to advance. Hoffman replied in the affirmative.

A despatch from Moscow says that 70,000 revolutionary troops have been sent from Moscow toward Bologoe. It is uncertain whether the German divisions now hold Pskov. All reports indicate that the town frequently changed hands. Borisov, 60 miles northeast of Pskov, is reported captured by the Germans, and Orsha and Smolensk are being evacuated.

The newspaper Nash Viek of Petrograd, declares that when the Germans were seven versts from Revel they sent emissaries to the town, who announced that in view of that declaration of Estonian independence the Germans were coming as guests, not as conquerors.

United States Attempts Settlement With Spain

Washington, Feb. 27.—To assist Spain in moving supplies to Gen. Pershing's forces the United States is ready, the war trade board announced tonight, to release Spanish use of its own badly-needed railway materials.

The offer is made to lift the Spanish Government to induce the cargo on the shipment of goods into France, placed, it was claimed, because of a breakdown in Spanish railroad transportation. A final agreement between the two nations, the board announced, is near, although not actually signed yet. Spain has been notified again that all Spanish ships held in American ports are free to sail as soon as they discharge parts of their cargoes for which licenses have been refused or revoked.

CHATHAM IS APPREHENSIVE.

Special to The Toronto World.
Chatham, Feb. 27.—The City of Chatham, which so far has escaped any serious damage from the annual flood, is today watching anxiously the rising waters of the River Thames, which have risen about ten feet during the day and which are now causing the house owners and merchants along King street considerable alarm. Every precaution is being taken to keep the water out of the cellars in the business section, where the most damage has been done in previous years.

MAY NOT REOPEN TUESDAY.

Special to The Toronto World.
Chatham, Feb. 27.—The Chatham moving picture theatre, which have been closed for nearly two weeks as a result of an order issued by Dr. T. L. McIlhenny, M.O.H., to prevent a threatened outbreak of smallpox, will not reopen until next Tuesday, the medical officer stated today, and in the event of there being any further cases, the theatre will be closed for an indefinite period.

SANK THIRTY-FIVE SHIPS.

Berlin, Feb. 27.—The German raider Wolf, which has returned to a home port after raising the entire shipping in the Pacific, destroyed at least thirty-five vessels, it was officially announced today. Some of the steamships, it is stated, were loaded with British troops, and the sinkings, therefore, caused a corresponding loss of human life.

MANY KILLED AT HONGKONG.

London, Feb. 27.—An official statement on the Hongkong disaster says that nearly 600 lives were lost in the race course fire. No European was killed.

The Canadian Pacific and Railway Nationalization

Yesterday we told a few plain truths about the Grand Trunk; today we have something to say about the Canadian Pacific. The people have short memories and a new generation has grown up since the construction of the C.P.R. The promoters of that road have been placed in a national Pantheon and the present stockholders are basking in the shadow of their greatness. A good many people think that the C.P.R. is a self-made road and that unlike the Canadian Northern, the Grand Trunk and Grand Trunk Pacific systems it received no substantial aid from the people of Canada. As a matter of fact, it received more indirect handouts than all the other systems combined. The government backed a good deal of paper for the Canadian Northern and the Grand Trunk Pacific, but in the wind-up the government will get the property. The government did not make gifts to these systems, but helped them to finance. In the case of the Canadian Pacific, however, the government gave outright gifts. Parliament declared against the C.P.R. and with princely munificence.

Let us recall a little history. After the Canadian Pacific's scandal brought the Alexander Mackenzie government to power it was decided to build a transcontinental road connecting British Columbia with eastern Canada, and operate the same as a public utility. The government did, therefore, construct and equip 400 miles of railway north of Lake Superior. It also substantially constructed 400 miles of railway in the mountain section, the hardest part of the proposed undertaking. When the Conservatives came back to power in 1878 the policy of the government was reversed. Parliament declared against the C.P.R. and with princely munificence.

To that company the government gave outright 1100 miles of the road already built, 700 miles of which were equipped and put into partial operation. The C.P.R. got that for nothing. By its contract it was to receive a further bonus of \$25,000,000 of cash and 35,000,000 acres of land. Some of the land was actually sold back to the government, but the greater part of it has been administered and gradually sold in small quantities, but at handsome figures by the company. In addition to this federal land grant the Canadian Pacific received 6,000,000 acres from the Province of British Columbia.

During the construction of the road financial assistance was extended in various ways by the government. A considerable amount of the money so secured was undoubtedly divided among the promoters or their friends and did not go into the enterprise. The Winnipeg Free Press went into this subject exhaustively some time ago, and we think demonstrated that of the \$30,000,000 loaned to the government only about \$6,000,000 went into construction.

However, that loan is repaid; so we need not spend time upon that. Direct financial grants were made in addition to this loan by the Dominion Government and provincial governments, and various municipalities. They were made direct to the Canadian Pacific and others to its subsidiary companies. They were subsidies, or in plain words, gifts from the public to the Canadian Pacific Railway Company.

Many people have the idea that the Canadian Pacific received all told \$25,000,000 and some more or less worthless land in western Canada. They have been led on the fiction that the road was finally finished by one of its promoters placing a chattel mortgage on his wife's piano. They have perpetrated the C.P.R. as a young giant making his way without assistance, who through the aid of the government, we therefore invite attention to the official returns compiled by the statisticians of the Dominion railway department. It will be found that the C.P.R. has received within the last five years the sum of \$1,000,000,000 in the form of public grants.

Germans Give Russians Three Days to Sign Peace

Canadian Press Despatch.
London, Feb. 27.—The Daily News' Petrograd correspondent tells a story of difficulties between Lenin and Trotsky, and the divergent tendencies among the Bolsheviks during the crucial discussion of the last week. Trotsky refused to return to Brest-Litovsk to sign the terms of surrender to which Lenin's council persuaded the executive committee.

According to a statement made in the reichstag by Baron von Dem Buseck-Haddenhausen, German under-secretary for foreign affairs, they must sign peace terms within three days of their arrival at Brest-Litovsk, and the terms must be ratified within two weeks.

APPOINTED PRINCIPAL.

Special to The Toronto World.
Chatham, Feb. 27.—George Pearson, vice-principal of Balacava school of St. Thomas, was today appointed by the board of education to take charge of Queen Mary public school of this city. The school has recently been enlarged at a cost of \$40,000.

HOSTILE RAIDS REPULSED.

London, Feb. 27.—Hostile raids were repulsed during the night northwest of St. Quentin, in the neighborhood of Bullecourt and east of Vermeille, says a war office report. "The artillery was active on both sides early this morning north-east and east of Ypres."

Value of railway constructed and handed over to the Dominion Government	\$37,785,320
Cash aid to subsidiary companies	30,289,342
Cash aid by provincial governments to main line	12,120,878
Cash aid by provincial governments to sub-companies	412,878
Cash aid by municipalities to C. P. R.	12,016,257
Cash aid by municipalities to sub-companies	464,761
Cash paid for land bought back from C. P. R.	4,632,422
Total	\$108,920,375

Now we come to the lands. The company received from the Dominion Government 21,644,190 acres and 6,334,995 acres from the Province of British Columbia, 25,022,185 in all. Up to June 30, 1916, the company had received in cash from the sale of its lands to that date \$128,510,734. Its unsold lands were at that date valued by the company at \$109,359,000. Every one knows this is a low appraisal because western lands, convenient to a railway have doubled in price during the past two years. But even taking the low valuation we have this interesting table of benefits received from the public by the C. P. R.:

Gifts in cash or equivalent	\$108,920,375
Cash from sale of land to settlers	123,810,124
Value of unsold lands	109,359,000
Total	\$342,089,499

The common stock of the Canadian Pacific Railway Company is of the par value of \$200,000,000, and from the sale of its capital stock the company is said to have realized \$29,000,000. If this be the case the stockholders and the people of Canada have put into the system similar amounts. More, however, has been contributed by the public than by the stockholders.

The Toronto Globe wants the government to buy out the stockholders of the Canadian Pacific Railway Company, but assumes that they have some heavenly right to always receive a ten per cent. dividend. They are entitled to receive the full value of their stock when the company is divided or sold, or the value of that stock we must bear in mind the princely gifts and lavish donations of Canada. If the government were forced to appropriate, probably only the railway itself, and the stockholders would be left with nothing. They would most emphatically protest against permitting the C. P. stockholders to retain their lands and other extraneous assets, while receiving perpetual dividends of ten per cent. upon their stock from the nation's treasury. Those who harp on this "ten per cent. clause," which has nothing whatever to do with the case, must intend later on to receive a ten per cent. dividend upon the value of that stock we must bear in mind the princely gifts and lavish donations of Canada.

We are not prepared to say that a ten per cent. dividend would necessarily be so much for the stockholders of the Canadian Pacific as it would be for the whole system, lock, stock and barrel. That is a matter for consideration and computation. But we in all sincerity advise the stockholders of the C. P. to take a guaranty by the government in perpetuity. They'll find it pretty hard to compete with the national railway system. They will find in Ontario that a road operated by steam cannot compete with a system operated by electricity. They will find that the company which has to ship \$25,000,000 in gold every year to British, Belgian, German, French and American stockholders in the shape of dividends will have a hard time competing with a system operated by electricity. They will find that the company which has to ship \$25,000,000 in gold every year to British, Belgian, German, French and American stockholders in the shape of dividends will have a hard time competing with a system operated by electricity.

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New York Socialist Plans To Aid Russian Revolution

New York, Feb. 27.—Morris Hillquit, the Socialist leader, in a statement issued here tonight, suggested an international socialist conference to encourage and aid the Russian revolution in its fight against the Germans. He did not, however, endorse a proposition made to him earlier in the day by Dr. Benjamin Sapphir, an east side Socialist, to raise and equip an American "red guard," with Mr. Hillquit as its commander.

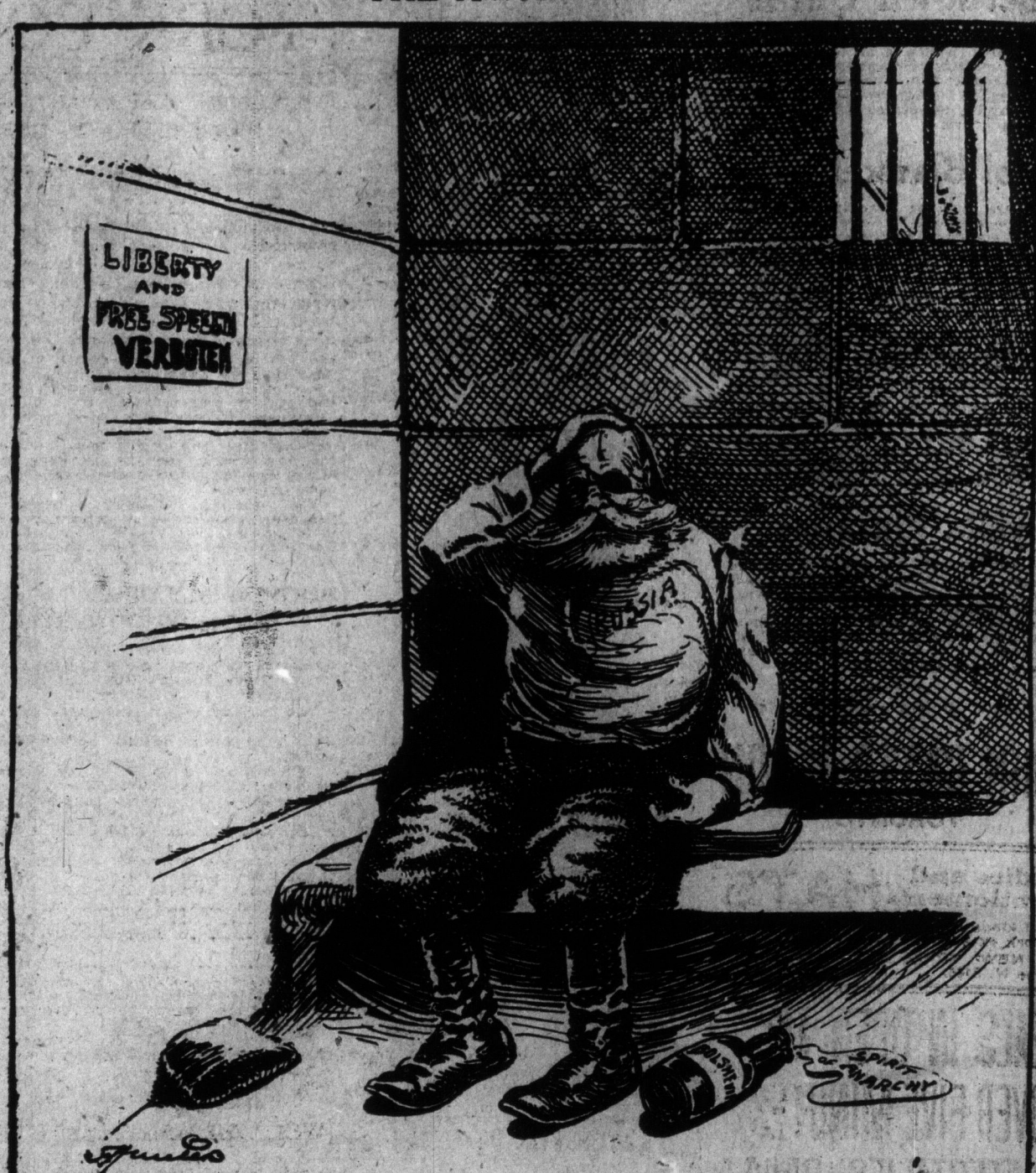
BORDEN SEES U. S. OFFICIALS.

Washington, Feb. 27.—Sir Robert Borden, the Canadian premier, spent many busy hours conferring with American, British and Canadian officials. The purchase of munition materials in this country is understood to have been discussed by Sir Robert with Bernard Baruch of the war industries board. Tonight the Canadian premier was a guest at a dinner given by Secretary Lane in honor of the Earl of Reading, the new British ambassador.

TO CREATE DIVISIONS.

Paris, Feb. 27.—The French press generally considers Chancellor von Hertling's speech as simply a continuation of Germany's efforts to create differences between the entente allies.

THE AWAKENING



THE WOMAN WHO CHANGED

BY JANE PHELPS

Enlightenment.
CHAPTER XVI.
The next time Mrs. Loring called she brought Julia Collins with her. I had had a headache, and was lying down. But I knew it would anger George if I failed to receive them, so I brushed my hair, and without changing my dress, went down.

I apologized for being in a morning gown, and they pretended it made no slightest difference.

"Of course, your husband is so particular, such a judge of what is proper to wear, that you naturally are more nervous than other women when you fail to dress," Madge Loring said.

I suppose I looked my astonishment at her speech, for she added:

"You see, both Julia and I are old flames of his. We both ran around with him a lot before we married; and he's been one of our closest friends since. I can't tell you how we felt at his desertion when he went off and married you."

"His desertion," I repeated. "I don't understand. You were married?"

"Oh, that made no difference. I didn't want to lose my friend."

"But you haven't!" I returned, bewildered with her reasoning.

"Of course, but now you are first with some men it wouldn't be so, but of course George is different," she repeated the same old sentence she had so many times used in the short while I had known her. But this time I intercepted a knowing look she cast at Julia Collins. It angered me, and helped me to keep up before them.

"Certainly he is different, as you say, if it is the custom for married men to put old friends before their wives," I said, then as I ordered, "I figuratively patted myself that once I had held my own. That I should be made to suffer for my little caustic speech I had no way of knowing."

"Merton Gray is different," Madge Loring asked, while Mrs. Collins added in her soft southern drawl:

"Look out for him, Mrs. Howard; he is a fascinating man."

"He called the other day and brought a lady with him," I replied to Mrs. Loring's question. "A Mrs. Reeve."

"Mrs. Kurtz Reeve?" she asked.

"Yes; she was charming."

"Mrs. Collins is great for family," Madge Loring informed me.

"Well, I think no one not of good family could be like Mrs. Reeve," I defended stoutly.

"Never mind her, but don't fall in love with that nice Gray boy," Madge Loring cautioned. Had she not laughed when she said it, I should have thought her in earnest, and been insulted. But her easy laugh disarmed me, and I replied:

"He is very nice. I wonder he isn't married."

"So do we all. It isn't because managing mamas haven't thrown their daughters at his head. Poor fellow! He's been run after ever since he first put on long pants!"

"The Way of the World."

I did not like either her tone or what she said. It seemed rather common, almost vulgar. But it was evidently the way that worldly people talked about each other. I wished they would go. If George came in and found me entertaining them without being more suitably dressed for afternoon he would be cross, perhaps angry.

"Not that my dress wasn't perfectly good (it was a simple little blue serge with white collar and cuffs; but he liked me to wear rather elaborate gowns when I remained at home in the afternoon, altho he insisted that I dress severely for the street."

Finally they rose to go.

"I shall hope to see you soon," Julia Collins said in her careless way.

"You must run in and see me real often," Madge Loring said. "I'll tell you a lot of things about George. Things you ought to know, my dear, if you are ever to learn to manage him."

"Oh, I don't want to manage him! I shouldn't think of it," I hastened to assure her.

"You'll talk differently five years from now," she returned.

I breathed a sigh of relief when they had gone, then hurried upstairs to change my dress before George came in.

"You are looking extremely well," he said. "I am glad they did not come when you were not dressed."

I felt horribly guilty, but said nothing. I really wasn't capable of anything during anything disagreeable. What the two women had said about George, his desertion of them when he married me, had made me uneasy. Not suspicious, just uneasy.

Tomorrow—Useless Brooding.

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