SHADOWS

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MONDAY MORNING, APRIL 5.

DR. REID'S EASTER EGG.

Remarkable Case of the C.P.R. Before dealing with the C.P.R.'s re-

lation to the \$47,000,000 deficit on the government-run railways, a pertinent word may be said upon the peculiar slants that are given to the discussion cent, more in 1919 than it was in of this vital national question by 1916. What had to be met out of the well-meaning, but poor-thinking news- profits of 1919? First the fixed

try into reckless orgies of railway C.N.R. and G.T.P. lines, the interest production.

ownership, and special friend of the read these paragraphs. government argues against increasing rates, on the ground that it will be READS THE BIG STORY. good discipline for the National directors to be kept short of money, in order to prod them into more efficient competition with the C.P.R. In other

sold in the open market above \$260.

The cent. should be thought of, Just sufficient to cover the prospective destreet's reading of the figures here after the change of the cent on the Canadian Nationals and the cent of the Canadian Nationals and the cent of the cent of the canadian Nationals and the cent of the cent

THE FIRST REQUISITE.

Truthful, fearless candor is the first requisite to a proper understanding of the situation that confronts every Canadian taxpayer and railway user. 'As soon as you begin to apply it some excellent souls have a violent fit of the shivers. They have a wonderful capacity for believing that if you don't tell the truth out loud it will never be known.

"If you say anything that suggests that the C.P.R. isn't as almightily flourishing as most people believe it to be," said a business man, in discussing these articles with The World, "the C.P.R. won't be pleased." The C.P.R. is not so foolish as to Working expenses 13,328,628 12,843,230 to those who live by trading in securities. Neither is it unaware that the HAS GONE BACK public which must make up immense deficits on its own railways, by higher rates or higher taxes, is just as much concerned with the finances of

public ought not to be instructed about corporations that can only exist of the cough not to be instructed about corporations that can only exist of the cough not corporations that can only exist of the cough not corporation that the corpor

public ought not to be instructed about corporations that can only exist as they receive the public's money, would not do credit to a tremulous dowager wearing mittens on the raind and cotton wood upon her raind and cotton wood upon her raind and and cotton wood upon her raind and so. a la Pepys, to the C.P.R.

BEATTY LIFTS

BEATTY LIFTS

A FLYING SIGNAL.

The C.P.R. is magnificently managed. It is in a railway class by itself. But even C.P.R. will be a part of the self. But even c.P.R. will be a part of the self. But even c.P.R. will be a part of the self. But even c.P.R. will be a part of the self. But even c.P.R. will be a part of the self. But even c.P.R. will be a part of the self. But even c.P.R. will be a part of the self. But even c.P.R. will be a part of the self. But even c.P.R. will be s

The Toronto World are the gross railway earnings of the C.P.R. for the last four years:

The earnings last year were 26.6 per cent. higher than in 1916 thanks to rate increases, which followed the McAdoo awards as to wages. Now look at the working expenses for the same four-year period:

1916\$ 80,255.965

The operating expenses, observe, rose 54.3 per cent. as against a rise of 36.6 per cent. in gross earnings. What was the effect of this on net earnings, from which fixed charges and dividends have to be paid? This table tells the story of net earnings:

1916 \$49,225,965. 1917 46,546,018 1918 34,502,387

The amount of money available for the shareholders, then, was 46.1 per charges. Owing to various bond re-The Montreal Gazette, chief fugle- P. R. are relatively very low. Bonds tirements the fixed charges of the C. man of the C.P.R., naturally evades the are a first mortgage on the property. essentials of the situation by fulminat- If the interest on them is not paid ing against public ownership, to which out of earnings the concern becomes It attributes the trouble, instead of bankrupt. If somebody else comes placing it where it belongs-on the along and pays the interest the conshoulders of the alliance of magnates cern is bankrupt, in fact, if not in and politicians who beguiled the counname-which is the position of the building with little regard to traffic on whose first-line securities has had to be paid by the guaranteeing tax-The Ottawa Journal, friend of public payers—the ladies and gentlemen who

The C.P.R. has been paying the interest—the fixed charges—on its first mortgage, and a dividend on the words, the way to make a shabby claim on the earnings—dividends man feel equal to his well-dressed which can be passed without fear of competitor is to compel him to wear the sheriff stalking into Mr. Beatty's office. Less than ten years ago those The Hamilton Herald shakes its securities, of the par value of \$100, head, in its own engaging manner, and sold in the open market above \$260.

\$26,250,000. If 1920 is as good a year as 1919 was, and wages and materials do not go down in price, a 44 per cent. increase in rates all round will not increase in rates all round will not make both ends meet. The Herald is more as good a year increases in ocean shipping rates, thru the rises in wages and materials. President Beatty when next he talks of depends on the position of such a force from and \$9,049,342 in 1919. They have long the ex-officers and airmen of the Royal Air Force resident in Canadian are force from and \$9,049,342 in 1919. They have long the ex-officers and airmen of the Royal Air Force resident in Canadian are force from and \$9,049,342 in 1919. They have long the ex-officers and airmen of the Royal Air Force resident in Canadian are force from and \$9,049,342 in 1919. They have long the ex-officers and airmen of the Royal Air Force resident in Canadian are force from and \$9,049,342 in 1919. They have long the control of the formation of a Canadian are force from and \$9,049,342 in 1919. They have long the control of the formation of a Canadian are force from and the formation of a Canadian are force from and \$9,049,342 in 1919. They have long the control of the formation of a Canadian are force from the formation of a Canadian are force from the formation of a Canadian are force formation of such a force from the formation of a Canadian are force formation of such as force from the formation of a Canadian are force formation of such as force formation of such as force formation of such as force formation of s

it being renewed this year? Glance back at the fixed charges. They are, roughly, ten million dollars. The two months' earnings and expenses already reported show this:

Gross earnings ..\$13.914,569 \$13,557,103 Net profits ...\$ 585,941 \$ 713,873

TO EQUIPMENT BONDS.

Of course, January and February the C.P.R. as it is with the finances of its own lines. When it comes to passenger and freight rates the owners of railways, as well as the railways themselves, are member's one of another.

What is the explanation of the heavy decline of C.P.R. shares in Wall surpose that the clever financiers of surpose that the clever financiers of the where it was in the middle of the its earnings? The notion that the its no means of knowing what has the realty and raw material costs.

Lator costs depend directly on wages which in turn depend upon the kind of skill required in a partocular kind of whork. Rents are also a form of labor costs, for they are really a measure of the economy of human effort that to pay fixed charges out of operating revenue; and it will certainly have to draw on the old stocking in order to pay dividends on the second-class securities.

Plainly, the C.P.R. cannot return to where it was in the middle of the war without increased rates. There is no means of knowing what has

Look at what they are, and dis-carn where they inevitably lead. Here bined, [The Gr. Tr Pa shows to could and issuasporting is primarily a matter.]

OTHER PEOPLE'S OPINIONS

The World will gladly print under this head letters written by our readers, dealing with current topics. As space is limited they must not be longer than 200 words and written on one side of the paper only.

WAGES THE CORNERSTONE OF

Prices depend on costs of production are not good months. But the net and raw material costs.

Lator costs depend directly on wages

Following is the most eloquent table that it has been possible to construct from the C.P.R. balance sheets for many years. It gives the railway sur-

the wealth of a nation. The word has learned by bitter experience that first money is a queck remedy. It is to be hoped that the workers of Canada will not have to learn by bitter experience that first wages are likewise a quack remedy. The genuine remety lies in universal hard work starting in today.

Melville P. White.

Slide in Culebra Cut

Panama. April 4 .- The slide in the

Chatham, Ont., April 4 .- (Special)-Frank Turner was arrested and in the police court yesterday morning was charged with stealing a number of coal sacks from the Sarvice Limited. He was remanded until Tuesday next bail being allowed, after he had plead-

WORLD'S DAILY BRAIN TEST

BY SAM LOYD.

3 Minutes to Answer This. No. 153. Spell out the names of the little objects. Then add and subtract as in-dicated and the resulting letters was



ANSWER TO NO. 152. PENN plus SYLVAN plus BOAR plus DIAL plus ACE minus BOARD minus LACE equals PENNSYLVAN-

make both ends meet. The Herald is and \$9,049,342 in 1919. They have long great system is to be preserved in When wages rise 100 per cent. or 200 the recruitment of all ranks of the force so constituted but the number Obviously, there is need for a different or controlled to surpluses that were put away, after the fixed charges were problem than some of our friends are problem than some of our friends are problem than some of our friends are problem. The C.P.R. is very much better placed than the National railways; but, as Cecil Rhodes used to say the

onsumers. The wage carner cannot cannot first many the channel for consumers. The wage carner cannot cannot first make the cannot do so more than fix money days do so and the carnot do so more than fix money along a material to a satisfaction of a ration. The world has been at the world to a ration. The world has been the world to a ration. The world has been the world to a ration. The world has been the world to a ration. The world has been the world to a ration. The world has been the world to a ration. The world has been the world to a ration. The world has been the world to a ration. The world has been the world to a ration to a ration. The world has been the world to a ration to a ration to a ration. The world has been the world to their welfare, it cannot do so more than fix money can add to the world to their welfare, it cannot do so more than fix money and add to a ration to the world has been the world to their welfare, it cannot do so that the world to the

Panama. April 4.—The slide in the Culebra cut became active again Friday night, narrowing the channel from 200 to 100 feet and decreasing its depth from forty to thirty feet.

FACES CHARGE OF THEFT.

cers to take command of training centres for periods lenger than one menth, but probably not in any case exceeding six months. The undertaking of duty for such extended periods will not be compulsory, but officers who volunteer for extended periods of duty will, of course, be entitled to preference in the consideration of appointments and promotions.

Administration of Force. Administration of Force.

It is hoped that the same plan may be applied to the duties to be performed at Ganadian air forces headquarters and that a succession of officers will be found from time to time able to assume duties at Ottowe in connection with the duties at Ottawa in connection with the administration of the force as a whole.

found from time to time able to assume duties at Ottawa in connection with the administration of the force as a whole. In this way a large number of officer, and perticularly the senior officers will be afforded an opportunity in normal times to obtain as great a familiarity as possible with the duties which they would be colled upon to perform in an emergency end the force will become more readily cepable of expansion if circumstances required it.

"The training stations will be few in number. At first it may not be possible to establish more than one, but at least a second doubtless will have to be added shortly and plans for this purpose ere under consideration.

System of Committees.

"The local administration of the force will be carried on by provincial executives" committees acting without remuneration, but receiving a grant towards the expenses of maintaining an office and the payment of a secretary. It is proposed that these committees shall consist of seven members, of whom four shall, after the first year, be elected by the officers on the active list of the force in the province, the remaining three being nominated by the lieutemant-governor having been invited to act as honorary president of the branch of the Canadian Air Force Association in his province and to select all the members of the first executive committee and the three appointed members of subsequent there appointed members of subsequent committees. It is intended that the executive committees and the three appointed members of the force with their respective provinces.

"It is proposed that the active list should include only officers of such an age that they can be expected to render from the active list will be compulsory for junior officers at or about the age of 38.

"Negotiations are on foot with the British Air Ministry, looking 10 an ar-

THE GIRL WHO SMILED THRU By MARION RUBINCAM

(Synopsis of Preceding Chapters)
Alice Fairbanks has always won her way thru life by her optimism. Her sunny nature has carried her thru her father's death, her mother's invalidism, poverty, and necessity for hard work, with a smile and a feeling of hope. When she meets David Thorne, falls in love, and becomes engaged to him, her cup of happiness is full.

An orphaned cousin, Lois Kennedy, comes to live with them. She wins away David, persuades him to come to the city and marries him. Alice is heartbroken, and takes refuge in work and study. Lawrence Marlowe offers and I know it, but I am too busy and I know it, but I am too busy and I know it, but I am too busy and I know it, but I am too busy and I know it, but I am too busy and I know it, but I am too busy and I know it, but I am too busy and I know it, but I am too busy and I know it, but I am too busy and I know it, but I am too busy and I know it, but I am too busy and I know it.

and I know it, but I am too busy to and study. Lawrence Marlowe offers find out. Tell me about the baby, to help her in her studies.

The following summer a baby is derence said, quite unperturbed, and lighting a cigaret. "It's a perfectly nice baby. It didn't cry or fuss or do any of the things babies are supposed to erted by a poor family. Alice wants

LAWRENCE HAS A PLAN.

CHAPTER 49. Alice went over to the settlement house the next morning happier than she had been for a long time. She had been sure all during the year she had been separated from David that love would never again enter her life. And now she felt that the best substitute in the world—a real friendship—had been

She was filled with curiosity as to what happened to the little deserted baby. And so, for that matter, were the small children of Shanty-town. She found more than a dozen sitting on the steps of "Happy Home" waiting

As Alice was usually the first work er to arrive, she had the key and opened up the place. Some of the small girls who had joined the "Little Mother's" class and the housekeeping class sat down patiently to await the it! arrival of the young aide who was to take charge of them; the rest gathered up their tools and followed Alice back to the small garden.

"The unanswerable feminine reason," said Lawrence, throwing away his cigaret. "I suppose you can have it. But, look here, I wanted it my-For an hour she talked and work-

ed, demonstrating the best way to put in late corn, and giving a less in in transplanting. Then, having finished the "sample, garden," as they called the patch behind the house, she started off with her troupe to the vacant These, according to plan, had been

vised, and frequently did a generous —well, take a waif and give it a She was hard at it a little after 11.

when Lawrence appeared.

He perched himself on the top rail of a fence where a tree gave a little cool shade, and watched her and her pupils with some amusement and a lot of genuine admiration. Alice came "I like you for talking that way,"

Alice laughed and pulled off her-hat.
At the same time her hair, which always looked as the it were about to come down, carried out its threat and fell in a long coil down her back.

Alice blushed and started to hunt

Alice blushed and started to hunt the hairpins in order to do it up again. gardens.
"I like it that way," Lawrence ap-

proved. "What a lot of hair you have,

"My dear girl, you are a goose," Lawrence replied. "I'm not," Alice answered, with 219-21-23 sudden show of temper. "It doesn't matter if I am poor. Mother and I Ladies'

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Northwest g milder again Upper St ley—North

ley-North and rain, fol

Lower St. Shore—East, snow and ra Maritime -

8 a.m. Noon..... 2 p.m.....

4 p.m..... 8 p.m...... Mean of average, 8 26; snowfall Saturday's

Saturday's

Steamer. Ionnis Vatis.

RATE

Notices of Deaths, n

have enough to bring the baby up comfortably—certainly in a better than its parents would have done. And it doesn't make any difference-I

to dress or make myself look pretty.

"Exactly what I came to do," Law-

do, and it's really rather pretty. Needs fattening. Mother fixed it up in a lot of clothes that had belonged to a

young cousin's baby, a whole outh made in Paris. The deserted child of

obscure parents graces its expensive wardrobe very well."

"How dear!" Alice commented. "Has anyone decided to let me have it?"

"No one knows you want it, and I

"But I saw it first and I want it."

think you're foolish to ask for it.

Lawrence answered.

"You!" Alice looked her amazen

"Me,' Lawrence echoed. "You see, its this way. I've never in my life done anything for anybody, and I've never been useful. I have an easy position in my father's business, which I can leave at any hour to sit on the fence and talk to you. I've never had portioned out to all the poor families who applied for them, and both the old and the young members of the families worked in them. Alice superchance to grow up into a happy and useful woman. It's probably the only good thing I'll ever do in my life. Better let me do it, Alice."

The girl sat looking thoughtfully lot of genuine admiration. Alice came over to him finally, and sat down on the grass at his feet.

"You look rather hot," was his rather

"I like you for talking that way, over to him finally, and sat down on the grass at his feet.

"You look rather hot," was his rather

"I like you for talking that way, over the said. "It's tripe you need a serious purpose. You're teaching me that way, over the said."

"You look rather hot," was his rather. chemistry. You flutter from one en-

Tomorrow-Alice Has



Your Investments

Have you any funds to invest or re-invest this month?

Any money coming into your hands from dividends, maturing securities or other sources should, of course, be placed at interest immediately, so that the funds will not be lying idle and unproductive.

Take this up with our Investment Service Department. You will receive helpful advice and incur no obligation.

Union Trust Company

HENRY F. GOODERHAM, President TORONTO, Cor. Bey and Richmond Sts.

LONDON, ENGLAND 48 on Savings - Withdrawable by Gheque HEMEON-Ont., Thu aged 42 y Funeral

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396 Colleg in Prospe TODD-Sud April 3, 19 Lappin Stewart loved wife Funeral Tuesday, TODD-At chester Nancy Thomas

Ont. Funeral 3rd, to No TWIGG-O his late re his 60th Hunter Funeral

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FRED W