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TUESDAY MORNING, APRIL 6.

DR. REID'S EASTER EGG.

Of An American Example.

It is one of the seeming anomalies of democracy that great questions are put up for decision to the people who can know little about them. Their decision is supposed to be acted on by those who may have given a lifetime of study and experience to them. That is the case with the tremendous problem precipitated by the $47,000,000 deficit on last year's operation of the Canadian National Railways and the Grand Trunk Pacific lines.

But democracy predicates leadership, as every form of government does. Dr. Reid, in placing his Easter egg on the national table, disclaimed responsibility for saying what should be done with it. He has thrown the malodorous car-fruit to parliament and populace, and has requested to be told whether it shall be handled as a severely business matter or as a long-suffering taxpayers' affair. So doing, he has practically said: "The C.P.R. is both key and obstacle to a solution of your difficulty. You must decide, for the government has not made up its mind."

The C.P.R., like the C.N.R., is drooping from the enormous increases in wages and cost of materials. The early months of this year have not brought enough net earnings to pay their proportion of the year's fixed charges, to say nothing of old-time dividends on stocks. The C.P.R. is pressing the government to continue its war-time railway policy of following American leads.

QUESTION OF POOLING IS IMPORTANT

Broadly, this comes down to an all-round rates increase of twenty-five or twenty-six per cent. The fear is that if this increase is granted to the C.P.R., it will bring so much revenue to the great corporation that it will literally wallow in money and be able indefinitely to laugh at the nation's lines. But, it is said, the large profits of the C.P.R. can be taxed, so that what the people pay in excess of a living return to the C.P.R. can go to make up the deficit on the C.N.R.

To that suggestion, Dr. Reid shakes his head, and remarks that tax or no tax on profits, the C.P.R. will contrive to put its vast earnings into the road without declaring taxable profits, and thus make it more difficult than ever for the C.N.R. to hold its own.

Another suggestion may contain the germ of a stable and equitable solution. It is that the income from increased railway rates be pooled, so that the C.N.R. can live without the C.P.R. becoming rich beyond the ambitions of Mountstephen, Strathcona and Van Horne. Assuming that the principle is sound, what of the method?

As we foldwed the McAdoo awards as to wages, we must consider the sequel to the McAdoo awards that is being worked out in the United States. All the American railways were nationally administered during the republic's participation in war, and until the first day of last month, when they reverted to private control. Tho rates had gone up, they had not climbed as fast as costs. Pending readjustment, the United States government was morally bound to assure the railways against loss. But some provision had to be made for a more business-like arrangement than was possible thru straight dipping into the national treasury. Payment for service rendered must be secured. It was done by an act of congress that was passed on the day before the reversion to private management.

The outstanding feature of the act is a direction to the Interstate Commerce Commission (which corresponds to the Canadian Railway Commission) to establish rates by Sept. 1 next, that will yield to the railways a net operating income equal to 5½ per cent. on the aggregate property value of the roads. The commission may add one-half of one per cent. to provide for additions and improvements, chargeable to capital account. This method is to apply till March 1, 1922. Railways need not come into this arrangement, if they care to take chances on making less or more than 5½ per cent. on their property values. Those who come in will not get more than 5½ per cent., in any case, so that the principle of the pool will essentially apply.

THERE MUST BE NATIONAL STOCK-TAKING

How does this affect the C.P.R. situation? At present the C.P.R. can only charge rates permitted by the Railway Commission, which takes its instructions from parliament. Under existing conditions, as was demonstrated here yesterday, the C.P.R. is heading for a marked reduction in dividends. The question that must be faced is whether the C.P.R. shall accept, compulsory or otherwise, a reduction from its former dividends. The decision can only wisely rest on the basic economic condition of the country. A most important strategic factor in it must be the reaction of any rate changes on the C.N.R. The two great systems cannot be treated by parliament as mutually hostile entities. They must be regarded, fundamentally, as public servants. The C.P.R. cannot be allowed to become the nation's economic master. The C.N.R. must not be treated like a rich man's indulged son.

With no material change in traffic conditions, a 44 per cent. increase is necessary if the C.N.R. is to pay operating expenses and fixed charges. That is out of the question in the present posture of events. Something will have to be carried into national development account, which need be laid down on a business basis. That can only be done thru a national stock-taking that will set an objective of expansion to be striven for, by a sanely-balanced development of natural resources and of skilled industry. For this there must be a statesmanlike readjustment of the tariff, determined by a properly and an ascertained ratio of growth of revenue from agriculture, mining, forestry and fisheries, and of manufactures that are suited to our possibilities.

To this end it is up to the government, now that it has elaborated the parlous condition of the public railways, to ask the C.P.R. for a full statement of its case, and its proposals for the future. That case must be delivered to the people frankly from the point of view of Canadian national conditions, rather than in harmony with the hungers of stock exchange speculators in distant countries.

The interdependence of the railways and the average citizen, on whom alone the railways can flourish, must be recognized for what it really is. That involves a fresh examination of the whole situation, regardless of the ancient ideas that dictated policies that have landed this great country into a transportation muskeg.

The need of the hour is men who can see clearly and act fearlessly, even if it be with a scalpel that cuts to the bone. We have too long been led by children of darkness—the blind leading the blind. Dr. Reid's Easter egg needs the warm light of a new economic humanity if it is to bring forth fruits meet for repentance for the past and justification for sure and certain hope for the future.

Free Action in the Legislature!

There is to be free action hereafter on almost any question in the legislature of Ontario, according to Professor Sissons of Victoria University, in an address at Earlscourt on Sunday.

A referendum decision of the people, say, on prohibition, could be reversed by the legislature at any time, and any local government that assisted to make such a law would have to sit quiet while its supporters by themselves or groups decided to repeal it!

Do the Farmers propose to abandon, perhaps abolish, responsible government? Does the professor suggest, for instance, that the Hydro-Electric policy of the province could be abandoned any day a group in the legislature decided to do so? And how is the uniformity of the municipal law to be upheld if it is not by means of a responsible government?

Would Mr. Sisson take office under Mr. Drury on his new principle of free action on any public question? He may have expected to join the government not long ago!

Doctors Three.

If there must be two distinct brands of ministerial responsibility for the liquor legislation of Ontario it is better for the Drury government to hearken to the clerical triumvirate that represents the referendum committee than to the Rev. Boanerges Spence. Dr. Grant, Dr. Moore and Dr. Shearer are safer guides in the matter of native wines and a referendum about importation, than Mr. Spence can be, even if the cohorts of the Dominion Alliance sustain him.

The fanatical temperament is magnificent where it belongs, but its place is not in the legislature just now. Simon Zelotes works finely when an objective is to be won. But he is prone to fall down when a victory is to be used. Prohibition is an asset of all the province, and not the tame lion of the Alliance. There are difficulties enough in the administration of the law without a reckless alienation of the sympathies of the mass of people who distinguish between the panting zealot and the social statesman.

This community knows enough of the liquor traffic. It can have too much of the Spence-cum-Alliance extremities. The public needs encouragement to hold on to what it has achieved more than it needs exasperation against what the extremists would force upon it.

The experience that Dr. Moore and Dr. Shearer gained as secretaries of the Lord's Day Alliance made them wise, without making them reckless. Reinforced by Dr. Grant they will not err on the side of mercy to John Barleycorn. But the government must espouse a policy to which it will stick, and on which it will be prepared to fall. It is getting sane stimulus from doctors three.

LOADED TO THE LIMIT

LABOR DECLARES STRIKE ILLEGAL

Break Foreshadowed in Walk-Out of Chicago's Insurgent Switchmen.

Chicago, April 5.—A break in the strike of several thousand "insurgent" switchmen in the Chicago switching district was predicted tonight by A. F. Whitney, vice-president of the Brotherhood of Railway Trainmen, who said that several hundred union switchmen from many points in the middle west arrived today to take the place of strikers, and that others would arrive tomorrow.

The Brotherhood of Railway Trainmen, with which the railroads affected have working agreements, has declared the strike illegal and is co-operating with railroad officers in efforts to bring about a resumption of work.

The strike of 350 switchmen on the Chicago junction railroad, which serves the stock yards, partly crippled activities at the packing houses today, and threw five thousand men out of employment. Packing house officers state that 50,000 stock yards workers would be forced to quit work tomorrow if the strike continued.

The American Railway Express Company today issued an embargo on freight shipments. At Cleveland, the New York Central and the Nickel Plate Railroads posted notices of an embargo on all shipments westward from Ohio points, that would be handled at Chicago, and the Chicago, Milwaukee and St. Paul Railroad announced from Milwaukee an embargo on freight billed to or routed thru Chicago.

Demand Pay When Idle

Toledo, Ohio, April 5.—Striking street car men today demanded a sum of $6000 a day for the time they are out of work as the result of suspension of car service due to the refusal of city council to permit a fare increase to take care of a wage boost. The men expect the city to compensate them, it was said.

The meeting was called primarily to discuss strike benefits, which will start in two weeks, and provide $10 a week to each man.

Settlement of the strike took a backward turn today when the six council men who balked the agreement between the men, the operating company and Mayor Cornell Schreiber, stood pat on their former action.

Henry L. Doherty of New York, head of the Toledo traction interests, refused to say whether the seven and two-fare ordinance pending in council committee would be sufficient after service is resumed.

WILL SUPPLY MILK TO NEW YORK POOR

Large Distributing Company Plan to Sell It at Eight and a Half Cents a Quart.

New York, April 5.—(Special.)—Officials of large distributing companies, in co-operation with Dr. Royal S. Copeland, commissioner of health, are formulating a plan to sell milk at 8 1-2 cents a quart at several hundred stations in the poorer parts of the city under the supervision of the board of health. The milk will be of the Grade B or dip variety. The health department is planning a campaign to increase the consumption of milk in order to prevent the waste of the 2,500,000 quarts surplus which the distributors say they cannot handle without great loss.

Republican Convention Elects Ten Unpledged Delegates

Providence, R.I., April 5.—The Republican state convention and the district conventions held today at the same time elected an unpledged delegation of ten members to the national convention, without opposition. Governor Beeckman headed the four delegates at large.

The platform declared for ratification of the peace treaty with "such reservations as will fully safeguard America," favored a large merchant marine, reduction of government expenditures, an adequate standing army, with a citizens' reserve, and equal suffrage.

ONTARIO REFERENDUM APROVED IN MONTREAL

Montreal Methodist Group of Social Board Unanimously Pass Resolution.

Montreal, April 5.—The Montreal Methodist Conference group of the social service board met in St. James' Methodist Church this afternoon and discussed the Ontario temperance situation, finally passing unanimously a resolution that the committee composed of the Ontario and Quebec members approved the action of the executive of the general board in promoting the movement for taking a referendum in Ontario with the object of preventing importation and interprovincial traffic in intoxicating liquors for beverage purposes.

There were present Rev. Dr. T. A. Moore of Toronto, general secretary of the Methodist committee of evangelism and social service; Rev. A. A. Radley of Ottawa, president of the Montreal conference; Rev. Wm. Howitt of Almonte, Mr. H. W. Mix of Ottawa, Mr. Irwin Hilliard, K.C., of Morrisburg, Rev. Isaac Norman of Lachine, Rev. William Timberlake, Montreal, and Messrs. R. L. Werry and S. J. Carter of Montreal.

HARBOR EMPLOYES CLAIM A TIE-UP

But Railroad Managers in New York Say They Are Satisfied With Situation.

New York, April 5.—Union leaders in the strike of New York harbor employes, which since Thursday has interrupted operation of railroad-owned tugs, lighters and ferries, tonight announced that longshoremen, freight handlers and checkers "have blacklisted railroad boat work."

"Within two days railroad cars will be backed up clear to the mines," said William A. Maher, acting chairman of the marine workers. "Railroad terminals are piled high with congested freight. Only 11 of 260 railroad tugboats in the harbor are working and five of these are Lackawanna boats, a company which is not unionized."

Thomas P. Healy, business agent of the marine engineers, who, with Captain Maher is directing the strike, said the harbor workers "will win the battle without the support of any outside unions."

J. J. Mantell of the Railroad Managers' Association, reiterated that "the managers are perfectly satisfied with the situation, which is improving hourly." He said he probably would have "an important statement to make tomorrow."

B. F. Squires, executive secretary of the national wage adjustment commission, began an investigation of the strike today.

URGE LIQUOR PLEBISCITE IN NEW BRUNSWICK

St. John, N.B., April 5.—Rev. W. D. Wilson, chief inspector under the New Brunswick prohibition law, rather astonished the clergymen of the city evangelical alliance today by saying that he thought that since the liquor importation ban was lifted on January 1 there had been 1,828 cases and six kegs of liquor imported into the city by express to private individuals. It was decided to ask the New Brunswick government for a plebiscite in June on the importation question and that the matter be submitted in as simple and clear a manner as possible.

WORLD'S DAILY BRAIN TEST

BY SAM LOYD.

2 Minutes to Answer This.

No. 154.

Find a word to fit the first blank, behead it for the second blank and behead it again to fill the third blank: "Why should I fear the angler's —— "I am not big enough to ——— "Nor care to borrow future ———

ANSWER TO NO. 153.

BABY minus Y plus MOON minus M leaves BABOON.

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WET REVERLY ON GAY WEITE WAY

Cocktails, Highballs and Whiskey Sold Freely, Say Parson and Official.

New York, April 5.—Charges that wet revelry reigned highly along New York's "Gay White Way," made in a sermon Sunday by Rev. John Roaca Straton, pastor of Calvary Baptist Church, was not news to United States prohibition enforcement agents here, James J. Shelvin, federal prohibition enforcement officer, commented tonight.

Rev. Roach Straton declared he made a personal investigation of "vice" conditions and found that cocktails, highballs and whiskeys straight were sold freely, and that the "hootchie-kootchie," the "shimmy shake," and the "cheek to cheek," were danced openly in various cafes and cabarets.

"We know stuff is being sold in cafes and cabarets along Broadway," Mr. Shelvin said, "but the fact is, it is very difficult for us to get evidence. We welcome information and evidence from anyone. I might say that Dr. Straton didn't tell us anything we didn't know."

Eight permits had been revoked in the last ten days, he said, for violations of non-alcoholic beverage regulations.

In announcing Dr. Straton would testify before the "vice" grand jury Thursday, District Attorney Edward Swann, said:

"We have invited the reverend gentleman to come here and tell the grand jury all he knows about any violations of the law. If he has any evidence of a crime having been committed, we will ask the grand jury to indict, and we will prosecute any indictments found."

GIFTS OF FORESTS BY BRITISH OWNERS

Are Presented to the State for Afforestation Purposes.

MORE GIFTS TO COME

London, Eng., April 5.—(Special.)—The Royal English Arboricultural Society has just been officially informed that a number of landowners, including timber merchants, have either given land to the forest authority or sold or let it to them, on most generous terms, for the purposes of afforestation. A firm of timber merchants has sold to the authority an area of 809 acres, including some agricultural land and a farmhouse, at such a price that the rent is almost sufficient to pay the interest on the whole of the purchase money.

Acquire Big Area

An area of 3000 acres which the authority has acquired from a peer, included timber upon which a considerable profit has already been made by the state, and this land has been acquired on most advantageous terms. Other large landowners have given a considerable area to the authority, and further gifts of land are expected. The authority is arranging to plant some of the land this season.

In forestry circles it is anticipated that the consultative committees for England and Wales, Scotland and Ireland will be constituted shortly under an order-in-council. Maj. G. L. Courthope, M.P., has been invited to become chairman of the English committee.

Number of Plans

The forest authority has shown the keenest desire to co-operate with private enterprise, and to avoid anything in the nature of conflict. In regard to grants and loans to private enterprise, a number of schemes have been submitted to the authority, including one for which Lord S. Wood, P. G. L. is mainly responsible. It is understood that the English committee, on appointment, will most almost immediately to consider these schemes.

THE GIRL WHO SMILED THRU

By MARION RUBINCAM

ALICE HAS HER WAY.

CHAPTER 50.

Alice and her mother talked it over next day. As usual, Mrs. Fairbanks wanted whatever Alice did. But she offered one objection only, and that very meekly.

"Of course, having a baby in the house will mean a lot of extra work and will take extra money. We have already been drawing on our principal, the interest on the money your father left does not begin to reach."

"I know it will be extra trouble," Alice said. "But I'll give up some of my settlement work for a year or so. By that time, the baby will not be so constant a care. As for the money, even tho we do draw beyond our interest, we can't use up everything we have in a few years, and as soon as I finish as much study as I want, I'll be able to find a good position somewhere!"

She spoke vaguely enough. Concerning money-making, Alice was almost as indefinite in her ideas as her mother.

Mrs. Fairbanks began looking on the more cheerful side of the question at once.

"The extra work won't matter, my dear. I'm getting stronger all the time, I can do every bit of the housework now and I'm sure I could take care of the baby, too. I wonder whether ideas have changed much since I brought you up!" She looked into space with the look women inevitably wear when they are gazing into the past.

"That settles it, then! I'm going down and beg for it," and Alice started away down the street. She waved a greeting to Clara, whom she saw half a block away, but went on without waiting to talk, humming a popular song to herself. It was a long time since Alice had sung as she worked or went about the city.

From the settlement house she phoned to Mrs. Godfrey's and was told she could reach her at the Marlowe's. So, hatless and coatless as she always went about the town, Alice trotted over to the big artificial stone house. As she came in sight of it, she wondered vaguely why she didn't admire the immense structure with its plain shiny windows.

Mrs. Marlowe greeted her and Alice told her what she wanted. Mrs. Godfrey agreed to the idea at once, but Mrs. Marlowe said she could do nothing without seeing her son since he too, had spoken of adopting this waif.

"The police haven't found a trace of the parents," Mrs. Godfrey said, satisfaction in her voice, while Mrs. Marlowe had gone to telephone Lawrence. "Two people answering your description in some ways are known to have taken a train at a station seven miles down that back road. But they were lost sight of at Milltown. So much labor is shifting about this state now!"

"Of course," Mrs. Marlowe said, coming back. "The baby is really in charge of the police department, they are simply letting us keep her. You'll have a lot of formality to go thru with if you want to adopt her legally."

"I shall be godmother," Mrs. Godfrey said.

Lawrence came home after a few minutes, and the women explained to him what Alice wanted.

"I'm sorry you won't let me have her," he said. "But if you really want the little waif as badly as all that, of course I wont ask for her. I wish tho, you would let me share some of the responsibilities."

"Perhaps I'll let you send her to college 20 years from now," Alice said with a smile, and an unconscious assumption of a maternal tone as soon as she knew the baby was to be hers.

So it was arranged, and several weeks afterwards, when all hope of finding the parents had been given up, Alice was allowed to adopt the wee child she had first seen as a bundle of rags under a canvas roof. The women workers in the settlement house took a great deal of interest in the whole affair: one sent several pieces of nursery furniture that had belonged to a child of hers, the expensive clothes that had already been given the baby were sent to the Fairbanks home, and much instruction as to caring for a six months' old infant was bestowed upon the foster-mother.

"What shall you name her?" Mrs. Marlowe asked one afternoon just before Alice was to take the baby.

"I haven't decided," Alice answered. "I don't like my own name very much, and mother won't let me use hers. What is your name?" she looked at the little gray-haired lady with her prettiest smile.

"Berenice," said Mrs. Marlowe. "I think it's an ancient Egyptian name."

"How lovely," Alice exclaimed. "Berenice Fairbanks—how does that sound?"

"Very pretty," Mrs. Marlowe approved.

Lawrence went home with her.

"If you won't think me intrusive," he said, "I want to make a suggestion—let my father look over your mother's investments. If he can get her a high per cent. on her money, in a safe investment, it will cover the increased cost of the new addition to your family."

Tomorrow—The New Interest.

RENTS TO BE HIGH FOR FIVE YEARS

President of U. S. Housing Company Says There is No Indication of Drop.

A MILLION SHORTAGE

Cost of Labor and Building Gives No Evidence of Going Down.

Washington, April 4.—High rents and high building costs in the United States have come to stay for years, President LeRoy K. Sherman, of the United States Housing Corporation, predicts.

"There is no reliable indication of a drop," he said.

"The housing shortage now is just as acute as a year ago. It is conservatively estimated that the country now is short about 1,000,000 dwellings.

"In my opinion it will take at least five years to catch up and get back to normal."

Sherman, as president of the housing corporation, has built 6,000 homes in big cities in all sections of the country. Experts working under him kept elaborate cost sheets in every conceivable angle of the building business.

Here is his verdict: "Only in Washington does there seem to be even the beginning of relief from the tremendous pressure of the shortage of dwellings that grew up during the war period," he said.

"In Chicago, New York, and other big cities the shortage of dwellings seems just as acute as ever.

"The cost of labor and building material holds little promise of going down. The general cost of building has increased from 65 to 70 per cent. since 1913, according to accurate cost sheets of experts in the corporation. Their figures have been tested by careful application to the construction of dwellings of almost every variety.

People Holding Off.

"Many people who have money to build houses now are holding off because they hope prices will drop. This has a tendency, of course, to keep prices up. To get the nation's housing situation back to normal we must build at a rate calculated to keep abreast of the normal increase in demand for dwellings plus an additional rate which will make up the shortage of 1,000,000 homes now existing. So far as I can see now, we are not building even at a rate fast enough to take care of the natural increase in demand.

"By normal conditions I mean conditions similar to those prevailing in pre-war days, when in every big city there was a general exchange of tenants every spring. In some cities it also was the custom for landlords to give one month's rent free to incoming tenants. Such conditions indicate a nearly equal balance of supply and demand. This is normal. It will be at least five years before this condition is restored, I think.

"There is one hopeful sign that building costs will be reduced eventually. Architects and contractors everywhere are working continually to devise new and short processes of building. They also are experimenting with new materials. Thus many builders recently attended a national convention called to discuss the proposal of building concrete houses, which are poured into moulds and can be turned out much more quickly than the average brick or frame house can be completed."

GIRLS, SAY "YES" TO BOWLEGGED MEN

Make Best Husbands, Says Expert, But Bald-Headed Ones Are Worst Possible.

New York, April 5.—Bowlegged men make the best husbands, while the worst life mate in all the world is the baldheaded male, according to Mrs. Amsterdam Schmidt of the Bronx, who writes to a local newspaper boasting of the fact that she walked up the centre aisle to the altar with three specimens of the opposite sex. Mrs. Schmidt adds that barbers make simply awful life companions. Mrs. Schmidt declares with a sting that the man who first won her hand in marriage was a "bum," who, she said, when not idly playing the banjo during the day, "was never working, shooting craps and getting drunk."

"In the first place," says Mrs. Schmidt, in her verbal barrage, "baldheaded men fly around with other men's wives, bust up happy homes and leave a string of broken hearts in their wake, the scoundrels.

"All worthless foolish women are crazy over worthless, shiftless, baldheaded men; believe me, they are a good match," she continued. "My second venture was a baldheaded man, and altho the insurance was small, thank God he has gone to a place where he belongs.

"Ah, the bowlegged man," writes Mrs. Schmidt in her letter, and it is evident she heaved a deep sigh at this point, for the pen ran across the length of the page and ended with a blot.

"They make the finest hubbies in all the universe. They are the best and most loving life mates. My third has bow-legs. God bless him! He is an angel, a perfect saint, but by no means a perfect 36. Girls, take my advice and only say 'yes' to the eternal question when the suitor for your hand in marriage has legs that would not stop a pig in an alley."

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