

THE TORONTO WORLD

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SAFEGUARD THE SCHOOLS.

The use of the city schools as practice schools by the faculty of education of Toronto University is imperative for the present, but no effort should be spared to safeguard the plan to be adopted so that it may interfere as little as possible with the well-ordered and progressive work of the schools.

This safeguarding is particularly necessary in the upper forms of the collegiate institutes, which are organized and managed on lines different from those in operation in model schools and public schools.

The men best able to give authoritative opinions on principles should be adhered to in working out the details of the plan for using the city schools as practice schools. These principals should be consulted by the faculty of education, and no plan should be adopted that does not meet with their hearty approval.

AN INDEPENDENT GOVERNOR.

If Governor Hughes of New York State pursues to the end his announced policy of independence, and trust in the people, his term of office will be watched with unusual interest and expectation. Certainly he has begun well by appointing to his offices at his disposal men whose claims were dependent not on political party, but on character and ability. And he has promised that a similar regard for the true interests of the people will regulate his conduct through his gubernatorial career. It is another of the many symptoms that the days of machine politics are drawing to a close and that the new era will be marked by the growing number of independent electors, and independent representatives. Governor Hughes has chosen well and wisely in resolving to trust the people rather than rely on the machine, and if he is true to the faith which is in him, the people will justify his confidence.

THE BEST MINING POLICY.

With the contrasted experiences of Cobalt and the Gilles Limit, the government should have no difficulty in deciding upon the nature of the mining policy in the future. Except for the results of the lake area sales the riches of Cobalt will not materially add the provincial exchequer, while the reserved district will to all appearance do. On this ground, alone the reservation of all other mining areas for governmental exploration and proving would be fully justified.

But the extension of the Gilles Limit policy to the whole unsettled mining lands of the province will bring with it other public benefits. When proved areas are leased to direct operating companies, and under proper conditions, there can be no room for wild-cat companies trading on implied titles which have no real value. The loop-holes allowed by that part of the existing law relating to prospectors' rights enable illusory and often practically fraudulent representations to escape just retribution. Not only the financial interests of the province but investors themselves need protection.

MORE ABOUT OVER-CAPITALIZATION.

Railway companies and their apologists are never tired of decanting on the debt due them by the countries where they operate. But whatever credit may be due the pioneers of railroad construction it is unquestionable that in later years their financial methods, far from placing the public, whose servants they are, under any obligation have deprived the people of the cheap and efficient service which, apart from these methods, could easily have been given. Perhaps the most serious of the evils attending later day railroad administration—because at the root of them—is the injury inflicted by over-capitalization, more especially by that form of it associated with stock

watering. How great that evil is can scarcely be realized, and is, indeed, incalculable. And strongly as has over-capitalization been denounced by those who have investigated the question, it is only of late years that public men generally have become seized of its real character and have been moved to demand relief at the hands of legislative bodies.

In both Canada and the United States the burden borne by the community, in the shape of excessive transportation charges, consequent on over-capitalization, is tremendous, so much so, indeed, as to be almost incredible. In the words of the Hon. Wharton Barker of Philadelphia, presidential candidate of the People's Party in 1900, the people of the United States "are obliged to pay interest and dividends on \$7,000,000,000 of watered securities, stocks and bonds. When this figure was doubted by a member of the interstate commerce commission, with which board Mr. Barker was in correspondence, he referred the matter to William D. Marks, an expert engineer and statistician of Philadelphia, whose reply was ultimately presented by Senator Tillman of South Carolina to the senate. It was there-after printed as a public document, and is document 185 of the fifty-ninth congress, first session. From it a clear idea can be obtained of this colossal betrayal of the public trust constituted by the franchises held by the United States railway companies.

Discussing the general question, Mr. Barker says that: "Not only are our railways often wastefully built, but the proceeds of the sales of bonds at figures far below par, but the promoters frequently add to the burden of the earnings of their enterprises by issuing as a bonus (to go with the bonds or appropriated by themselves) an equal or greater amount of stock representing a speculative profit in the future. So invariably have I found this to be the case that I felt justified, after numerous individual experiences, in saying to you that more than one-half of the watered securities issued represented no real property or investments of cash."

"Besides the water injected into securities by the original builders of a new railway, other, and often larger, percentages of it are poured in by financiers who have found their profit in combining a number of individual railways into a system by means of holding and operating corporation."

"As a result, we frequently find a surplus of securities, the surplus of securities of a system of some railway systems very closely resembles a geological section. "There can, if my statement is correct, be but one of two results from these manipulations: "Either the public is robbed by over-capitalization, or the watered securities, or the purchase of them lose all or a portion of their investment, if they have been sold to be used by their securities represent real property."

"Tragically, either the traveler and shipper is robbed, or the purchase of securities is swindled if he buys, believing them to have been honestly issued."

"The purchaser of 'water' securities is either helping thieves to rob, or is himself the victim of thieves."

Investigation shows that stock watering, resulting in huge over-capitalization, is prevalent wherever there are public service corporations or companies holding rights over valuable mineral or other natural resources whose character permits of speculative profits. In many it is safe to say in most—cases the legitimate cost of establishing a public service enterprise was covered by its bond issue, and its ordinary stock often standing at a large premium represents nothing but profits anticipated by the promoters or financial middlemen. Yet on these speculative profits further profits have to be paid by the public, which is mulcted in excessive charges and tolls far beyond what would be necessary to pay a fair profit on the legitimate capital. This gross public injustice is openly defended by politicians such as the Hon. A. B. Aylesworth, who openly declare that in their opinion public service corporations are justified in extracting as much as they can from the pockets of the people. The whole system is so flagrantly wrong, and so inimical to the public interest, that any government or legislature refusing to apply a remedy is totally unworthy of the confidence of the people.

TEMISKAMING AND NORTHERN ONTARIO RAILWAY.

Editor World: An agitation is being gradually worked up with a view to inducing the Ontario government to build an independent line from Toronto to North Bay, so as to make connections at that point with the already existing road. If such a line were built it would no doubt be a single track and its construction very costly. In addition to this, were it not to parallel the Grand Trunk in many places, where would the local railway come from even to supply the needs of the wheels? Such construction, to my mind, would be a vast waste of money, and I would suggest to those having the matter in hand that negotiations be opened with the Grand Trunk with a view to doubling the existing line. This would give an opportunity to cut down many of the grades and straighten out some of the kinks in the existing road and the excavated rock and earth used to build up the grade for the extra track.

There are many places where the right of way is already purchased and culverts in, thus simplifying construction considerably and at the same time furnishing a road capable of carrying practically unlimited traffic at

THE RAILWAYS AND THE BOARD OF RAILWAY COMMISSIONERS FOR CANADA.

Fortieth Article.
The Canadian Pacific Railway is to issue twenty million dollars' worth of new stock, which, at the present market price of that stock (one hundred and ninety dollars per share), should net it thirty-eight million dollars. It is not at all likely, however, that the company will realize any such amount from the deal, for the stock will be issued on the basis of par value, one hundred dollars per share, which will net it twenty millions, instead of thirty-eight million dollars, the amount is actually worth at the present time, thus making a present of eighteen million dollars to the subscribers in respect of the new stock. The Evening Telegram sizes up the situation very forcibly in the following paragraph:

"Canada, Toronto included, is bled by a system of railway finance that compels commerce, industry and agriculture to pay freight rates of one dollar and ninety cents' worth of money in order to get one dollar's worth of new railway built."

The railway companies are able to raise all the money required for the construction of new lines, but they are unable to secure money when it is needed to purchase equipment that is absolutely necessary for the proper handling of business on the lines already in operation.

The carrying companies claim that it is impossible for them to reduce their transportation charges without facing financial ruin, yet they are willing to make their shareholders a present of eighteen million dollars in hard cash, while they expect the public to pay them rates high enough to enable them to pay a dividend upon this watered stock. The railway officials are past masters in the art of high finance, but the shareholders have hitherto been allowed to pass without criticism the anomalies and discriminations in connection with the knowledge of the manner in which these "get rich quick" concerns are worked, and are not willing to be taxed exorbitant freight and passenger rates in order to increase the fortunes of the stockholders of the railways.

There is a very large amount of money invested in the Canadian railways, and up to the present time not received from the railways a fair return for the investment, either in the matter of rates or facilities for the movement of the traffic of the country.

If the Canadian Pacific Railway can afford to make a present of eighteen million dollars to its stockholders, it can equally well afford to reduce the rates and charges in connection with its transportation with the carrying charges imposed for transportation. The rates throughout the country should be equalized and arranged on a fair and equitable basis. It is unreasonable to expect the people of this country to keep on paying excessive freight and passenger rates in order to enable the railroads to pay dividends upon watered stock. The railroads have been so long time been accustomed to doing as they pleased, that they probably fail to realize the change that is taking place in the attitude of the public with regard to companies which are working under charters granted by the government as representing the people. Things which in the past were allowed to pass without criticism are now being closely studied and scrutinized, and the people are gradually becoming imbued with the idea that the carrying companies were intended to be the servants of the public, not their masters.

The day has gone when the railways can afford to ignore public opinion, and it would be in their own interest to give consideration to the complaints which are made with regard to inequitable rates, and the need for improved transportation facilities. If this is not done the people will take the matter into their own hands, and the remedy applied will be more radical than would be the case if the railways voluntarily offered to meet the wishes of the people.

(These articles have appeared daily since Monday, Dec. 2.—Ed.)

a great saving of time and certainly with greater safety.

The question would naturally arise as to the terms upon which this double-track road could be built. It is a small matter in comparison with the great convenience afforded to the community. It would simply be a question of valuation of vested interests. When these were settled, place the management under a joint line company, and the shareholders would receive their full rights and privileges. There are many such joint line arrangements in England and they work out well in detail. Even here, in Toronto, we have the Union Station worked on joint line principles, and I have yet to hear of any serious trouble in carrying out the arrangements.

The question is certainly worthy of careful consideration. E. C. D.

THE STREET CAR SERVICE.

Editor World: I am glad to see that the board of control have approved Controller Hocken's request that the Toronto Railway Company be compelled to run their cars on the routes laid down on the time-table. This is the action I asked to be taken last month, but no action was taken. I urged that his worship the mayor, as chief magistrate, should place constables at street railway intersections in control of the switches, to prevent the company from leaving the routes as they pleased. I based my request upon the fact that the agreement (clause 20) provides that the "services" to be determined by the city engineer, and approved by the city council, and that the court of appeal for Ontario has decided as follows: "It is for the city engineer, with the approval of the city council, to determine, decide upon and direct what time-tables and routes shall be adopted and observed by defendants." When the company runs the Bathurst-street cars south of King on Bathurst-street it is surely, under the above decision, a trespass, and similarly any departure from any other settled route is absolutely unwarranted. An ounce of action on the part of the city would have placed the company under the obligation to obtain an injunction to restrain the city's action, founded as it is on judgment to which I have referred. The old routes should be restored, and the loops used merely for rush-hour extras, which should be provided with special crews, in order that the street railway employees may receive fair treatment in the matter of their hours on duty. S. Alfred Jones.

THE UNITARIANS.

Editor World: I was interested, and, no doubt, many other Unitarians likewise in the article in The World regarding the Non-conformists and the statements of Rev. R. J. Campbell relative thereto. It is strange how, in spite of the many opportunities to learn and hear those who should know differently, yet sadly at variance with the facts. While we are greatly in sympathy with Mr. Campbell and the Non-conformists, still he misrepresents Unitarians in his statement that they put a "great gap" between God and man as it is on judgment to which I have referred. The old routes should be restored, and the loops used merely for rush-hour extras, which should be provided with special crews, in order that the street railway employees may receive fair treatment in the matter of their hours on duty. S. Alfred Jones.

At Shea's Theatre next week, John T. Kelly and Company and the bill in the screaming comedy farce, "The Game of Con." Miss Teresa Renz, the world's greatest equestrienne, will put her wonderfully trained horses through their paces, and May Boley and her "Polly Girls" will be an important feature of the bill. Others on the bill are Shean and Warren, Diamond and Smith and Mabel St. Clair.

AT OSGOODE HALL

ANNOUNCEMENTS FOR THURSDAY.

Chambers.
Cartwright, master, at 11 a.m.
Shute court.

Cases set down for hearing before the Hon. Mr. Justice Mabee at 11 a.m.:
1. Brown v. Dulmage.
2. Quebec Bank v. Williams.
3. Trusts and Guarantee v. Consett.
4. Brennan v. Gellinas.
5. Bryan v. Bryan.
6. Ross v. Williamson.
7. Davis v. Tremblay.
8. Cammell v. Cammell.
9. Bolvin v. Saniers.

Divisional Court.
Peremptory list for 11 a.m.:
1. Baxter v. Gordon.
2. Stover v. Lavole.
3. He Foster Estate.
4. Taylor v. Greenleaf.
5. Armstrong v. Sherlock.

Toronto Jury Listings.
Peremptory list for 10 a.m.:
1. Fleming v. Toronto Railway.
2. Meadows v. Austin.
3. Coolidge v. Toronto Railway.
4. Wilson v. Davies.
5. Orr v. Toronto Railway.
6. Mullen v. Greadier Ice Co.

Toronto Non-Jury Listings.
Peremptory list for 10 a.m.:
1. Sullivan v. Trusts and Guarantee.
2. Hamilton v. Hayman.
3. Dickson v. Evenden.
4. National v. Edwards.

A Lumber Bill.
The Park & Sons Lumber Co. have issued a writ against Flanner and Reeves of Midland, claiming \$11,438.70 for lumber sold and delivered.

James Kettle, a farmer of Essex County, gave a number of promissory notes to the John Abell Engine and Machine Co. The total amount claimed is \$1017.37, and the company have begun an action for that amount.

Chattel Mortgage Dispute.
T. H. Smith & Co. are suing Albert Jacks and Alice Jacks to have it declared that a certain chattel mortgage made by Louise Atkins to Alice Jacks, in 1904, is void and of no effect.

Balance on Goods Sold.
James Robinson claims that he sold goods to H. Dwyer for which there is a balance owing of \$320.24. He has issued a writ to recover the amount.

Samuel Howarth had a suit against Thomas H. Gall and registered a certificate of his pendens against certain lands on Berkeley-street, Toronto. On consent the action has now been dismissed without costs and the certificate of his pendens discharged.

George Dickson of Toronto has begun an action against James Anderson Thorne, a farmer of Markham, claiming possession of certain lands in that township, which Thorne refuses to deliver up.

In the suit of the Imperial Trust Co. against the New York Securities Co., over the Belmont Iron Mine, the master in chambers has delivered judgment directing that the defendants must pay on account of arrears \$1500 and costs, and that the defendants be ordered to have the time for redemption extended until April 17. In default of payment the defendants are to be absolutely foreclosed.

To Quash Bylaw.
Louis Campbell of Stratford moved before Mr. Justice Mabee in weekly court for an order quashing sections two and three of bylaw No. 1294 of the corporation of the City of Stratford, entitled a bylaw in reference to restaurants and victualling houses, on the grounds that it is in restraint of trade, ultra vires, prohibitory and therefore void. Judgment was reserved.

Both Want the Money.
Harry Christmas of St. Thomas, Ontario, took out a beneficiary certificate in the Sons of England Benefit Society, payable upon his death to Mrs. Emma Christmas, his mother. Christmas died in April last, intestate, and without having changed his beneficiary. Mrs. Christmas claims to be the widow and entitled to the money, alleging that Mrs. Emma Christmas is not the legal mother of the insured. By decision of the master in chambers the money will be paid into court.

Attention of Affections.
William H. Bound, a thrasher, residing in Northumberland County, issued a writ in November last against one Isaac Bell, claiming damages for the alienation of his wife's affections. It is alleged that when Bell heard that a writ was about to be issued, he and his wife fled to Michigan, and are residing in Detroit. Not knowing their exact address, Bound obtained from Master in Chambers Cartwright an order allowing the writ of summons to be served upon Daniel Clark, Mrs. Bound's father, who, it is alleged, knows the address of the departed pair. Fitzhendon Aylesworth is acting as solicitor for W. H. Bound.

Water Famine in London.
London, Ont., Jan. 16.—Being face to face with a water scarcity, and with no immediate means of relief in sight, the board of commissioners have decided to refuse to supply the city with water for street purposes during the coming summer. They have passed a resolution prohibiting the use of lawn

Author Churchill in Montreal.
Montreal, Jan. 16.—Winston Churchill, the noted author, was an interested visitor to the Montreal courts today, and occupied a seat with Mr. Justice Davidson on the bench of the superior court.

New Salvadorean President.
Mexico City, Jan. 16.—Word has reached this city that Gen. Fernando Figueroa has been elected president of the Republic of El Salvador.

SEVERE WEATHER IN WEST.
Sleet Storm Completely Paralyzes Wire Communication.

Chicago, Jan. 16.—The middle west is experiencing a severe storm. Rain fell on Southern Kansas and Northern Oklahoma last night, and freezing temperatures to-day glazed the ground in these sections with ice. Wires are down and trains late.

The sleet storm last night and to-day in Missouri is the most severe in twenty years. Telephone and telegraph poles were blown down, rendering wire communication impossible. Trains were late to-day.

Indiana advices tell of high river stages. Flood conditions are reported between Point Pleasant and Cincinnati, in Ohio. The outlook is said to be serious.

Prominent Educator Dead.
Philadelphia, Jan. 16.—Rev. Lawrence Kavanaugh, S.J., a professor in St. Joseph College, this city, and a prominent Catholic educator, is dead, aged 66 years. He was born in Newfoundland.

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These are goods you need ; goods that will give you solid satisfaction every way you want it.

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Great Bargain in High-Class Overcoats

All-wool fancy tweeds in latest colorings, and some black beaver cloth ; silk and self collars, single-breasted long Chesterfield cut. Broken sizes. Regularly 12.00 to 20.00. Friday bargain..... 6.95

Winter Suits, 6.89

Regularly 11.00 to 13.50. Imported and Scotch tweeds; latest double-breasted c.t. Sizes 36 to 44.

Reefers, 5.49

Regularly 8.50. Heavy navy blue English nap cloth; double-breasted; stern collar; sizes 34 to 42.

Trousers, 1.79

Regularly 2.50 and 3.00. Dark striped worsteds. Sizes 31 to 40.

Fur-Lined Coats

FRIDAY 53.95; regularly 70.00. Best muskrat lining; blue or black beaver cloth shell; Persian lamb or other storm collar.

40.00 Coats, 28.00

Lined with best quality mink marmot; English beaver cloth shell; German otter storm collar.

Underwear

FRIDAY 47c per garment. Regularly 65c to 1.25. Heavy elastic ribbed wool. Shirts, sizes 34 to 46—drawers, 32 to 38.

White Shirts, 47c

Regularly 75c and 1.00. Laundry. 8 o m. sold through handling. Sizes 14 to 18.

Mufflers, 59c

Regularly 1.00 and 1.50. Black corded silk; quilted satin lining.

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KING PETER SAFE ON THRONE

Servian Premier Says No Trouble Has Occurred in Kingdom.

London, Jan. 16.—Owing to the wide spread reports in European capitals, that Servia is being shaken by anti-dynastic plots threatening King Peter with a tragic fate similar to that of his predecessor, the Associated Press telegraphed to the president of the council of ministers, M. Pasic, for a statement. The premier replied: "Since the re-establishment of the Karaagevitch dynasty no trouble has occurred in Servia. The king scrupulously maintains the attitude of constitutional monarch, and has given repeated proof of the greatest respect for the decisions of parliament. All the rumors of trouble and plots at Belgrade put into circulation by certain foreign elements hostile to Servia are false. The best denial is the absolute calm now existing at Belgrade."

G.A.R. Reunion.

The members of James S. Knowlton Post, Grand Army of the Republic, will hold their annual camp fire at Williams' Restaurant, 179 Yonge-street, this evening, when about fifty survivors of the great American conflict are expected to be present and recall the stirring events and bloody battles in which they participated forty-five years ago. The oldest veteran of the Civil War at present residing in Toronto is 88 years of age, and the youngest, 61. Gradually they are passing away.

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SIR W. H. HOWLAND'S ESTATE.

The will of the late Sir W. P. Howland has been filed.
The estate amounts to \$24,000, of which \$12,000 is in bank cash, and \$12,000 in real estate; \$2158 in cash. The bulk of the estate is left to his daughter, Mrs. H. K. Merritt.

Satisfactory in Every Way.
Is the Grand Trunk service to Detroit and Chicago, amply roadbed, ment that 44 up-to-date and comfortable (the cafe parlor cars on the 12 a.m. and 4.30 p.m. to Detroit service meals is a carte). The handsome Pullman cars at 11.20 p.m. to Detroit and Chicago enable business men to save time by travelling at night. Reservations in these and the Chicago sleeper at 4.30 p.m. may be made at city office, northwest corner King and Yonge streets. Phone Main 4200.

THE Traders Bank

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CAPITAL PAID-UP - \$4,300,000

R.F.S.T. - \$1,900,000

TOTAL ASSETS OVER - \$32,000,000

Head Office—Yonge Street, Cor. Colborne

(KING STREET, cor. Spadina Ave.
RIVERDALE, Broadview Ave., Cor. Queen
AVENUE ROAD, Cor. Davenport,
EAST TORONTO, Danforth Ave.

General Banking Business Transacted