

HIGH PROFITEERING IN SULPHITE SALES

Ground Wood Also Yields Enormous Returns to Paper-Makers.

PRINGLE IS PUZZLED

Discrepancy in Figures on Cost and Production is Mystifying.

Ottawa, July 10.—Further evidence of some pretty tall profits on sulphite and ground wood with an insight into the way the manufacturers compute the cost, frequently with the use of arbitrary figures, was given at the afternoon session today of the inquiry into the cost and selling prices of these ingredients entering into the making of news print paper. Commissioner Robert A. Pringle is conducting the inquiry.

Three witnesses were examined, representing the Donnan, Paper Co., the Laurentide Paper Co., and the Belgo-Canadian Pulp & Paper Co. In regard to the Laurentide Company it was shown that last year they sold over \$2,000,000 worth of sulphite in the United States at a profit of almost 200 per cent on a cost price per ton of \$35. As high as \$97 per ton had been received, it was admitted by the company's representatives. In regard to ground wood it was shown that the same firm had sold for \$5 a ton material that had cost \$20 a ton to produce. And in computing the cost of sulphite it was stated that the war taxes of the past three years, amounting to \$20,000 in 1914, to \$120,000 last year had been taken into account.

Figures Puzzle Pringle. During the afternoon, while the figures were being considered, Commissioner Pringle said he couldn't understand why there was such a big difference between the cost of selling figures arrived by the accountants of the American federal trade commission after a tour of Canadian plants and the higher figures turned in by the Canadian manufacturers in the statements. The commissioner described the difference as very striking, and H. A. Stewart, K.C., government counsel, agreed with him, expressing the opinion that it would surprise him much if the American accountants did not succeed in upholding their findings if they came before the commissioner.

Mr. Stewart said they had gone very thoroughly into the subject and he suggested to the commissioner that an effort be made to have them come to Ottawa to testify. The commissioner said he would like to have them come. Gordon Macdonough, K.C., of Montreal, who represented some of the manufacturers, interjected the remark that his information was that the chairman of the federal trade commission had resigned in protest against the figures arrived at by the members.

Forced to Capitulate. One interesting illustration of the determination of Commissioner Pringle to see that the newspapers of the country at the price laid down by the minister of finance was furnished when H. Biermans, president of the Belgo-Canadian Pulp & Paper Co. of Shawinigan Falls, appeared to speak in support of the firm's statement of costs. The commissioner taxed him with writing a letter to the Evening Review of Peterboro declining to supply paper, and also with having similarly declined to supply paper to the Journal of St. Thomas and the Gazette of Barrie, all Ontario publications. "It was explained that these papers had been getting the Belgo-Canadian product through agencies, but that they had decided to take advantage of the government rate of \$50 a ton and get it from the mill," the objection to the price was made. Mr. Pringle said he was not sure that the small quantities required, but when Commissioner Pringle had informed him that under the order the council these publishers were entitled to get the paper, Mr. Biermans capitulated and said he would wire his firm to supply it.

Books Thrown Open. Further evidence that the members of the American federal trade commission had every opportunity when on their tour of the mills to get at the costs accurately was given when witnesses representing the mills testified that the accountants secured all the books and sometimes remained as long as three days at the plants. It was complained by some of the manufacturers' representatives that they did not have a chance to go over the findings of the accountants before they left the plant.

Henderson, K.C., counsel for J. R. Booth Company, and the E. Eddy Company, Ltd., lodged a protest against the articles printed in the newspapers on the proceedings before Mr. Pringle. He objected to these reports as being "most distorted." Commissioner Pringle said it would not do to be too thin-skinned. The publishers were vitally interested in the inquiry. He had not read any of the articles except one in regard to Mr. Tilley's withdrawal as counsel for the publishers, and as to this he did not think it fair for the press to state that the withdrawal had been because his (Mr. Pringle's) ruling balked a complete investigation of the cost and supply of newsprint. The more he considered the more satisfied he was with his ruling.

High Profiteering. Some interesting examples of high profiteering on sulphite were furnished when E. H. Smith, treasurer of the Abitibi Co., was examined in respect to the company's statement of cost of producing sulphite and ground wood. The cost of sulphite in 1914 was \$35.65, in 1915 it was \$35.65, and in 1916 it was \$35.65. The firm had sold 976 tons of sulphite in 1916 at \$102.26 a ton, mostly in the United States, sulphite that actually cost \$35.65 a ton. A. H. Bowness, superintendent of the newsprint mill of the E. B. Eddy Co., said the cost of making newsprint sulphite had been \$41.56 a ton in 1914, \$42.99 in 1915, \$43.22 in 1916, and \$52.27 this year. Although he admitted that there was little difference in the proportion of the cost of manufacturing newsprint sulphite and making strong sulphite, he said the selling price per ton of the latter product had been advanced from \$40.80 a ton in 1914 to \$106.80 a ton in 1917, while the increase in newsprint sul-

YORK COUNTY AND SUBURBS

CONTRACT TO BUILD HUNDRED HOUSES

Manufacturers of New Toronto to Will Build Homes for Their Employees.

New Toronto's industrial population is increasing so rapidly and the demand for homes has become so acute that the manufacturers themselves have decided to build before the winter upwards of 200 new houses for their employees. They find that Toronto builders lack the capital to come out and construct homes, although the investment is gift-edged. Present industries are growing and plants under construction are guaranteed to employ hundreds of men. These men naturally require homes. In conversation with a reporter for The World yesterday, J. N. Brown, of Brown's Copper and Limes Rolling Mills, said: "We won't be satisfied until we get a thousand new houses for New Toronto is going to be the busiest manufacturing centre around Toronto. It simply can't help it, because 'New Toronto' has excellent railway facilities, cheap power, light and water and perfect roadways."

Contract for Hundred. To accommodate his employees, Mr. Brown said he had already prepared plans for a block of 100 houses, to cost on the average \$2,000. They will face Fifth street, Sixth street, New Toronto street and Birmingham avenue. The contract for these houses will likely be let next week. The Brown Rolling Mills Company have so far constructed thirty frame houses, each costing \$1,500, but many more are required to meet the needs of their 900 employees.

On Ninth street contractors are also busy erecting forty more residences of a better class, costing around \$3,000 each. Four of these are now under way and are capitalized by a company composed of Sir Henry Blakely, Frederick B. Robins, of Robins, Limited; C. H. Carlisle of the Goodyear Tire and Rubber Company, J. N. Brown of Brown's Copper and Limes Rolling Mills and others.

Besides these residences now in the course of erection over fifty homes are being built privately. By speeding the repair work on the eastern section of the Port Credit bridge, the Toronto-Hamilton Highway Commission managed to have the bridge open for traffic at 9 o'clock this morning. It has been entirely replaced with 12-inch girders and 4-inch planks, making the floor quite reliable.

CREDIT BRIDGE OPEN TODAY.

By speeding the repair work on the eastern section of the Port Credit bridge, the Toronto-Hamilton Highway Commission managed to have the bridge open for traffic at 9 o'clock this morning. It has been entirely replaced with 12-inch girders and 4-inch planks, making the floor quite reliable.

NEW TORONTO LEAGUE.

New Toronto boys who are overseas have not been forgotten by the New Toronto Soldiers' Comfort League, who have this week forwarded to them 45 boxes of comforts, containing soap, cream, cheese, cookies, matches, tobacco and other things to make their life a little happier. The league has been organized for two years and has sent a parcel to every New Toronto soldier each month.

BOON AVENUE CHURCH PICNIC.

The members of Boon Avenue Baptist Church Sunday School here their annual picnic at Kew Gardens yesterday. There was a large attendance, and an enjoyable time was had by all. Pastor W. F. Roadhouse and Mrs. Roadhouse were present.

LOANS FOR FARMERS.

Vancouver, July 10.—Treasury bills for one million dollars are to be issued under the two-million-dollar loan bill for the purpose of granting loans to farmers. The bill becomes operative July 16.

PLATE HAD BEEN \$41.01, or a difference of something like 125 per cent.

Cost of Ground Wood. In figuring the cost of ground wood per ton, which was \$17.18 in 1914, \$17.94 in 1915, \$17.47 in 1916, and \$22.22 in 1917, Mr. Bowness said six per cent interest on the investment was put in, but the administration expenses figured on seven per cent of the sales, although this year he admitted the firm was using the arbitrary figure of 10 per cent of sales, because of increased cost of labor.

H. A. Stewart, K.C., for the government, asked Mr. Bowness what the cost of sulphite was figured at in the cost of a ton of newsprint and he said \$30. The counsel remarked that the firm had been pretty generous in its allowance for the cost of the actual cost of sulphite being \$52.57 a ton. R. W. Loathwood, of the St. Maurice Paper Co., said that a little had been sold in the United States at \$90 a ton. Ground wood cost per ton in 1914, \$16.80; in 1915, \$16.80; in 1916, \$15.72; and in 1917, \$17.51. The witness admitted that ground wood costing \$17.51 had been sold in the United States for \$42.05 a ton.

Pulp Wood Assets.

Questioned by H. A. Stewart, witness said six per cent of the total investment of the firm in woodlands, valued at \$6,000,000, which figured at \$138,000, was charged up annually against the wood taken out in figuring the actual cost of the pulpwood. Commissioner Pringle here remarked that no value was placed on the pulpwood standing in the limits, only the cost of cutting was shown. "Had these natural resources no actual value? Was no relief to come to the country from them?"

Victor E. Mitchell, K.C., counsel for the company, said the limits were capitalized and President McLaren of the St. Maurice Paper Co., said \$5 per acre crown dues were paid to the Provincial Government of Quebec, and so much on every 1,000 feet of timber taken out. He referred to the probability of all the pulpwood being exhausted in a few years, and said the companies should charge \$2 on every cord taken out for a year, and put the money aside for a sinking fund. McLaren, who is connected with the Union Bag and Paper Corporation of the United States, said the supply of pulpwood was becoming exhausted in the country. The inquiry continues tomorrow.

EARLSCOURT PICNIC.

The annual picnic of the Women's Bible Class of Earlscourt Central Methodist Church, Ascop avenue, was held at Scarborough Heights, yesterday. Two special cars conveyed the gathering to the picnic grounds, where an enjoyable time was spent.

PTE. J. S. MOWAT KILLED; WAS REPORTED MISSING

Prior to Enlisting for Overseas He Worked in West Toronto Piano Factory.

Mrs. Durrant, wife of Mr. H. Durrant, of the West Toronto customs house, has just been notified by Ottawa that her brother, Pte. J. S. Mowat, who was reported missing in August last, is now "officially" killed. Prior to his joining the 22nd Battalion, with which he left Toronto, Pte. Mowat was employed at the Heintzman piano factory, West Toronto. He took considerable interest in church and lodge work in the district. He was an active member of the Runnymede Presbyterian Church and Sunday school, and was a member of the Woodmen of the World. He was born in Scotland, came to Canada when a youth, and was 22 years of age when he joined the army. An incident in his military career is the fact that whilst he was in training at Exhibition camp his father, who was a member of the 22nd Battalion, was officially notified that he was dead, but a letter which he received a few days later showed that his son was "very much alive."

WANT DEPARTMENT TO PAY FOR ERROR

Caledonia Ratepayers Pass Resolution Regarding Payment to A. F. Lobb.

A meeting of the Caledonia District Ratepayers' Association executive committee was held last evening at the residence of the chairman, Dr. G. W. McIntosh, Caledonia road, where the matter of the recent A. F. Lobb case was fully discussed, and the legal department's action severely criticised. The following resolution was unanimously adopted: "That the secretary write the city council requesting that the legal department be held personally responsible for the payment of the \$3,500 paid out without authority, and also the legal expenses incurred in the A. F. Lobb case."

Dr. G. W. McIntosh outlined the matter in detail and stated that the city's legal department paid out the sum of \$3,500 in connection with the Lobb property without necessary authority, thus making the city liable. "I neither words, making the citizens liable for the money," he said. "It has been entirely replaced by this department," said the chairman. "The public should not be held liable, and the legal department should be compelled to pay this amount or be asked to resign."

MAKE MARKHAM ROAD PERMANENT HIGHWAY

Scarboro Council Decides to Act Without the Co-operation of Roads Commission.

As no satisfactory arrangements could be made with the county roads system, the Scarboro Township Council have decided to make a permanent highway of the Markham road without the co-operation of the Roads Commission. The council also ordered the Birchmount road at Birchcliffe to be improved at once. A deputation from Birchcliffe waited upon the council and asked that a flight of steps be erected at Stop 18. This was refused, on the ground that it would cost a precedent, and make it necessary for the council to place steps at every cross road. However, the council finally decided to erect a flight of steps at Stop 18, to see what could be done for the residents.

LIABLE TO STICK IN MUD.

Road Used in Place of Lake Shore Road is Almost Impassable.

Since the Toronto-Hamilton Highway Commission closed all traffic on the Lake Shore Road between the Humber Beach Inn and stop 10 motorists and other drivers who have had to detour to get to Mimico or Toronto and use Salisbury avenue are quite incensed over the terrible condition of the supposed "avenue." They claim it is almost impassable under the rules and that the commission should lose no time in fixing up the road as soon as possible. This road, which is about one-quarter of a mile long, runs off Queen street, touching the Lake Shore Road at stop 10.

SPECIAL MUSICAL SERVICE.

Last evening a special musical service was held in the St. Clair Avenue Citadel of the Salvation Army, Episcopate. The Lisgar band of songsters were in attendance, and there was a capacity audience.

BUILDER BUYS FRUIT FARM.

Wm. Pidgeon, Nairn avenue, Earlscourt, a prominent builder and one of the pioneers of the district, has purchased a large fruit farm in the Niagara district and is successfully operating it this season.

PORT CREDIT RED CROSS.

During the month of June the women's patriotic league of Port Credit have prepared the following shipment to be sent to the Canadian Red Cross headquarters: 246 pillow slips, 129 sheets, 70 suits of pyjamas and 50 pairs of socks.

AUTOS FOR MUNITION WORKERS.

In anticipation of the threatened street car strike, preparations have been made by the various munition works to convey the large number of women workers in the Earlscourt district by motor cars to and from the factories.

EARLSCOURT PICNIC.

The annual picnic of the Women's Bible Class of Earlscourt Central Methodist Church, Ascop avenue, was held at Scarborough Heights, yesterday. Two special cars conveyed the gathering to the picnic grounds, where an enjoyable time was spent.

WOMEN WORKERS BANQUET VETERANS

Wounded Soldiers From Various Hospitals, Guests of Association.

SOME CANDID REMARKS

J. R. MacNicol Hands Bouquet to Officers Who Stay in England.

Under the auspices of the Independent Women Workers' Association of Earlscourt, nearly one hundred returned soldiers from North Toronto, Spadina and College Street Hospitals, and from the Earlscourt district, were entertained at a banquet and concert in Loblaw's Hall, 400 College street, last evening. A large number of motor cars were present. Among those present were: President J. S. Sager, I.W.W. Association; President J. R. MacNicol, Earlscourt; J. Walhe, E.B.M.A. and ex-President Pte. Chas. T. Lacey, Fairbank Ratepayers' Association. A large number of ladies of the I.W.W. committee waited on the tables, which were tastefully decorated with flags and bunting. The musical part of the program was contributed by the following artists: The Sisters Howe, national dances; Mrs. Woods, recitation; Miss Hale, solo; S. McDermott, harp; Miss Bayan, J. Matthews, W. Russell, Pte. J. Wines and others.

Chairman J. R. MacNicol welcomed the heroes of Canada on behalf of the I.W.W. Association, and strongly urged the officers who refused to revert to lower ranks while in England in order to proceed to the front, and returned to Canada. Officers in London. "These men are in the same class as the slacker who will not enlist," said Mr. MacNicol, who pointed out that in London, England, these officers stayed in first-class hotels, while the private soldier had to put up with inconveniences in a great many instances. "The private soldier is the highest type of gentleman, and nothing we can do is too good for him," said Mr. MacNicol in conclusion. "A conscription should have been put in force two years ago," said Pte. Chas. T. Lacey, the next speaker of the evening. "I know of men who went to England before me, and they have not yet gone to the front. There are noble instances of officers reverting to the ranks while in England in order to get into the trenches. Pte. Lacey concluded by paying a tribute to the men of Earlscourt and Fairbank for their loyalty in remaining in such large numbers to the cause. A flashlight was taken of the gathering at the close of the proceedings.

BUILDING IN EAST TORONTO.

Separate School Board to Erect Portable School.

C. M. Hall, 245 Glendonwynne road, has received a permit to erect a portable school building at the northwest corner of Quebec avenue and Glendonwynne road. The Harris Abattoir Company, St. Clair avenue, will spend \$2,000 on a bone drying room and another stock pen.

R. Muir and S. H. Lamb, 69 Arundel avenue, have erected a \$4,000 pair of brick dwellings at Strathmore avenue. Mr. A. M. Crawford, 44 Beech avenue, has been granted a permit to erect a frame garage on the lot at the corner of the separate school board have been issued a permit for a frame portable school room to be established in connection with St. John's School, King street, east of Water street at a cost of \$1,000.

FUNERAL AT SOMERVILLE.

Wm. Pallette, of Dundas Street, Buried in Burnhamthorpe Cemetery. The funeral took place yesterday afternoon of the late William Pallette, of Dundas street, Somerville, who passed away last Sunday at 10. Mr. Pallette is survived by a widow and two sons, Roy E. and Leslie H. He was one of the pioneers of the township, of which his son, Leslie H. Pallette, is mayor. The interment, attended by many of the residents of the district, took place in Burnhamthorpe cemetery, the arrangements being entrusted to the care of Wm. Speers, Dundas street, West Toronto.

TWO NEW SCHOOL SITES.

New Toronto School Board Asks Grant After listening to an appeal from the public school board that \$20,000 be granted for the purchase of two new sites to meet the demand for increased school accommodation, the New Toronto Council decided to submit the matter to the people before voting such a large sum. The board made it plain to the council that the problem of accommodation was most serious and that they should not delay, as the new term begins in September. A petition demanding that Ritchie & Ramsay increase the height of their chimney so that the smoke nuisance be abated was handed in, but no action was taken by the council.

YORK MILLS SCHOOL.

To Senior Fourth—1, Laura Pratt, 601 (honors); 2, Percy Wood, 355; 3, Gladys Little, 425; 4, Clarence Bailey, 425; 5, Isabelle Wright, 76. To Senior Third—1, Dick Taylor, 528 (honors); 2, Earl Crowe, 457; 3, Ollie Pratt, 425; 4, Clara Wood, 421. To Senior Second—1, Margaret Ashdown, 530 (honors); 2, Dorothy Valliere, 476; 3, Annie Moynihan, 394; 4, Stanton Morarty, 389; 5, Frank Taylor, 275; 6, Otto Mercier, 207. To Senior First—1, Stuart Ashdown, 434; 2, Willie Francis, 432; 3, Eric Moynihan, 474; 4, Ruth Moynihan, 385; 5, Willie Francis, 432. The boardland, 257; 7, Ellen Loughheed, 335; 8, Fred Muir, 221. To Junior Second—1, Doris Crowe, 292; 2, Marjorie Little, 296; 3, Inez Fulton, 264; 4, Nellie Crowley. First-class—Margaret Valliere; 2, Charlie Taylor; 3, Alice Taylor; 4, Wallace MacNicol. To Junior First—1, John Ashdown; 2, Doris Francis; 3, Mary Baker; 4, Daisy Mercer. Junior First—1, Marjorie Arnold; 2, Dalton Mercer. Those entitled to a prize are: Laura Pratt, for highest marks; Gladys Little, for neatest penmanship; Dick Taylor, for highest marks; Margaret Ashdown, for highest marks; Stuart Ashdown, for highest marks; Doris Crowe, for highest marks.

FRACTURED SKULL CAUSED DEATH

Jury Says Taylor Died as Result of Fall From Street Car.

Coroner Dr. G. W. Graham's jury at an inquest held in the morgue last night on the body of John Taylor, who died in the Western Hospital on June 26 from injuries received when he fell from a streetcar near the Don bridge two weeks ago, returned a verdict to the effect that he died from a fractured skull. The two following riders were added to the cause of death by officials of the Toronto Street Railway, against which an action for damages had been commenced by the dead man's family. The evidence submitted last night showed that some time after the accident, Dr. H. M. East, the family physician, called on Dr. Fred Winnert for a consultation with the result that trephining was recommended. This operation was performed by Dr. Winnert at the Western Hospital, but it did not save Taylor's life. Shortly afterwards Dr. C. H. Agnew of the hospital telephoned Dr. Winnert to ascertain the cause of death and he was told it was a fractured skull. The death certificate was given, but owing to the fact that the chief coroner was not notified no inquest was ordered at the time.

NEW TELEPHONE CENTRAL.

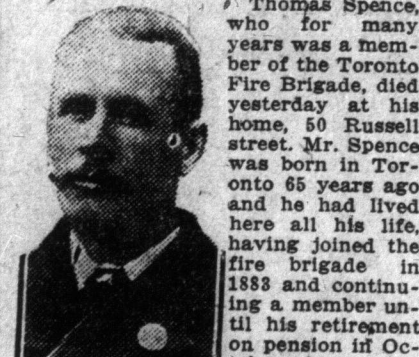
Vancouver, July 10.—Work on a new central exchange of the British Columbia Telephone Company has been resumed. The estimated cost of the building when completed is two hundred thousand dollars.

NEW WONDER WHEAT.

Moose Jaw, Sask., July 9.—Samples of a new wonder wheat, claimed to be a cross between Marquis wheat, headed out and 36 inches in height, were shown in this city. A sample of Excelsa fax was 17 inches high.

THOMAS SPENCE DEAD

Was Veteran Member of Toronto Fire Brigade and Had Retired With Pension.



Thomas Spence, who for many years was a member of the Toronto Fire Brigade, died yesterday at his home, 50 Russell street. Mr. Spence was born in Toronto 65 years ago and he had lived here all his life, having joined the fire brigade in 1888 and continuing a member until his retirement on pension in October last. Mr. Spence's father was a well-known citizen, having for many years kept the British Lion Hotel, the oldest where the city hall now is. Mr. Spence leaves a widow and four children, Margaret, Emma, Norman and William James.

LIGHTNING CAUSES DEATH OF AVIATOR

Cadet Page Killed at Camp Borden During Monday Night's Storm.

Camp Borden, July 10.—Lightning was responsible for the death of Cadet Page of the Royal Flying Corps, whose machine crashed down on a road near Tyres Junction during the electrical storm which broke over Camp Borden and vicinity last evening. It is surmised that the aviator was trying to get above the storm when he was struck and instantly killed. He was alone in the machine at the time. Cadet Donnell, who was also flying alone, tried to make a landing in a turnip field when his machine turned upside down on touching the ground. He is in the camp hospital with a compound multiple fracture of the right leg and a badly lacerated chin. A third machine, which was caught in the storm, managed to make a safe landing. The storm seemed to be somewhat

LARGE AIRPLANE ORDERS.

Vancouver, July 9.—Approximately one billion feet of standing spruce and fir timber has been sold by the Granby Consolidated Mining and Smelting Co. on Alice Arm. A saw mill is to be established and the spruce is to be cut immediately for several large orders for airplane material.

Centre of cyclone, circling the camp, the centre of which escaped the full force of the lightning, although the rain poured down in torrents, accompanied at first by a strong wind.

Flight Lieut. Claire A. Page came from Hamilton, where he was formerly sales manager of the Canadian Harbors, Limited.

THE RIDPATH LIBRARY OF UNIVERSAL LITERATURE

Never Before Sold For Less Than \$77

NOW BEING DISTRIBUTED BY

THE TORONTO WORLD

ON VIEW AT

40 WEST RICHMOND ST., TORONTO, and

40 SOUTH McNAB ST., HAMILTON

ORDER BLANK

Tear Out--Mail Today

THE TORONTO WORLD, 4 TORONTO, CANADA.

Gentlemen: Enclosed find \$1.00, for which please ship me, all charges prepaid, a complete set of RIDPATH'S LIBRARY OF UNIVERSAL LITERATURE, in 25 volumes, bound in Hottelins Linen, and I agree to pay the balance of \$76.00 at the rate of \$3.00 per month, beginning on the first day of the month following receipt of books. When I have paid for the Library it becomes my property.

SPECIAL.—If not convenient to call, we will deliver a set to any address in Ontario and allow 48 hours for inspection; if not satisfied return of our expense—the deposit of \$1.00 will be refunded on return of books.

No Collectors to Annoy You

I understand that in order to economize in clerk hire and other collection expenses, the United Newspaper Association has consented to send out all notices of monthly dues and issue receipts therefor, and to whom I will make all future payments direct by mail.

Name _____ Street _____ Town _____

Occupation _____

Name of firm connected with _____

I have lived here since _____

(If under age, father, mother or guardian should sign this order.)

FOR CASH IN FULL WITH ORDER, DEDUCT 10 PER CENT. REMITTING \$52.50 ONLY.