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EIGHTEEN PAGES—SATURDAY MORNING DECEMBER 21, 1912—EIGHTEEN PAGES

VOL. XXXII—No. 11,829

HYDRO-ELECTRIC
IS NOT BADLY
MANAGED

Peak Load System of Purchase
Best Possible—No Improper
Capitalization of Expendi-
ture—Confusion Was Caus-
ed by Methods Used When
City Handed Over System.

The report to the Hydro-Electric
Commission, made up by Messrs. John
Mackay & Co. chartered accountants,
and presented by P. W. Ellis yesterday,

Some of the outstanding statements
of the report of the accountants are:
That there has been no improper cap-
italization of expenditure as alleged by
Mr. Sterling; that the amount of the
operating deficiency till June 30 last
was grossly overstated; that the ac-
counting department is not overstaffed,
and its system of bookkeeping is well
adapted to the requirements of the en-
terprise; that the policy of the com-
missioners in charging sinking fund
and depreciation funds against reserve
is not only sound and proper, but it
is the only practical policy open to
them; that the policy of buying cur-
rent from the provincial commission on
a "peak load" basis is fixed for twenty-
seven years to come under a contract
made long before the commission was
created; that the fears expressed as to
the effect upon the future of the enter-
prise of the policy followed in the two
matters last mentioned are wholly in-
founded; that the undertaking is now
actually on a paying basis, after provid-
ing for interest, sinking fund and
depreciation out of income; that the
report of the city auditor is marred by
serious inaccuracies, evidently proceed-
ing from insufficient enquiry into the
facts and insufficient reflection
thereupon; and that in consequence
thereof he has given an entirely erro-
neous and misleading view of the
position of the undertaking.

The report shows that the growth
during the period of eleven months,
from Jan. 1 to Nov. 30, 1912, is very
striking, while the number of custom-
ers and the volume of business is still
only a small fraction of the field
available at present, and the field itself
is continually growing. It also credits
a saving during the year of 1913, owing
to the reduced rates from the provin-
cial commission.

Although the report on the city audi-
tor's findings should remove some seri-
ous misconceptions which have been
circulated as to the state of the un-
derstanding, and also its financial posi-
tion should give a high degree of sat-
isfaction, the auditors are not prepared
to endorse the whole organization,
which they say, "the commissioners
took over in a far from satisfactory
condition." The firm of Mackay & Co.
think that satisfactory conditions have
not yet been established. "We think,
however," said the auditors, "that the
commissioners should disregard all
considerations but those of the well-
being of the enterprise and the main-
tenance of just and honorable stand-
ards in their dealings and relations
with all parties and interests, in their
insistence upon a capable, high-grade
and enterprising administration."

Marked by Inefficiency.
In reply to Mr. Sterling's statement
that the system of bookkeeping led
to "duplication and multiplication of
entries and that it was cumbersome
and smothered in detail and consid-
erably nature and volume of business
it has been overstated, the report
says that the Toronto commission fol-
lowed a plan devised and recommended
by the Hydro-Electric Commission of
Ontario in March, 1911. "That the de-

Continued on Page 11, Column 4.

FOR SANTA CLAUS

Toronto, Dec. 19, 1912.
Dear Santa Claus: It is
near Christmas and I'm wish-
ing you a merry Christmas
and I wish you would send me
a doll and carriage and a piano
for Christmas. I'm getting on
in the school very well and I
eat my porridge every morn-
ing. From your loving friend,
Fanny Yarmolinsky, 104 Eliza-
beth street, city.

WILL NOT GIVE
UP ADRIANOPLE

Turkey Said to Be Absolutely
Firm on Point—Peace
Outlook Clouded
Over.

LONDON, Dec. 20.—(Can. Press.)—
The Daily Telegraph claims to have
obtained information to the effect
that Turkey is inflexibly resolved
to retain Adrianople or resume hos-
tilities with the Balkan allies, and
for this reason takes a grave view
of the prospects for a successful issue
of the peace conference. Moreover,
the newspaper points out that the
use of the word "autonomy" in the
official statement issued by the am-
bassadorial conference instead of the
independence seems to imply an inten-
tion on the part of the powers to
leave Albania under Turkish suzerain-
ty. It considers that if this inter-
pretation is accurate the decision may
have a weighty effect upon the peace
negotiations.

According to The Daily Telegraph
it appears that at an informal meet-
ing of the Balkan delegates Wednes-
day M. Zenzilos, the Greek premier,
proposed, and M. Danef, the Bulgarian
delegate, seconded a motion that
the peace conference should endeavor
to enter into confidential relations
with the ambassadorial conference.
The Serbian delegate then supported
this decision, but in view of the ac-
tion of the ambassadors regarding au-
tonomy for Albania he now has de-
cided to reconsider his position, as he
wishes to see an independent Albania
and not an Albania under the sultan's
suzerainty.

QUEEN WILL VISIT
SACRED MOUNTAIN

Disregarding Tradition Fifteen
Hundred Years Old, Olga
of Greece Defies Rule
of Monks.

VIENNA, Dec. 20.—(Can. Press.)—
The Neues Tagblatt's Athens corre-
spondent says Queen Olga of Greece
intends to visit the 21 monasteries of
Mount Athos, 80 miles to the south-
east of Saloniki, thus breaking the
rule prohibiting women to visit the
sacred mountain, which has been
strictly observed for 1500 years.

"The monks on the mountain," con-
tinues the correspondent, "on many
occasions have refused to permit royal
ladies to visit them, always accusing
themselves behind the legend that the
Virgin Mary with the infant Christ
visited the mountain and that no wo-
man had been allowed to do so since.
But now that the Greeks have conquered
the territory and the king and queen
proposed to visit to the mountain, the
monks summoned their council and
decided that they had no course but
to rescind the rule."

Mount Athos, or the Holy Moun-
tain, was the centre of Greek theology
and learning in the middle ages, and
many masterpieces of ancient Greek
literature still remain in the libraries
there. The Turkish Government gives
the monks almost complete autonomy.
Aside from the 21 monasteries on the
mountain there are numerous grottoes
and chapels. The monk popula-
tion numbers several thousand.
Many of them are hermits and live in
caves.

POWERS SUPPORT
AUTONOMY FOR
ALBANIA

Also Favor Guarantee to Ser-
via of Port on Adriatic, But
Otherwise No Definite Pro-
gress Has Been Made at
London Conference—Turk-
ey's Position Improved.

LONDON, Dec. 20.—(Can. Press.)—
The slow and devious processes of
diplomacy are advancing toward a
solution of the near eastern puzzle
at a snail's pace. The only definite
achievement of the day was an agree-
ment by the ambassadors of the six
great European powers that their gov-
ernments would accept in principle
autonomy for Albania and a guaran-
tee to Serbia of a port on the Adriatic
Sea. Having passed this milestone
in their deliberations the ambassa-
dorial conference adjourned over the
Christmas holidays.

The Balkan peace delegates enjoy-
ed the hospitality of the lord mayor
of London at a Mansion House lun-
cheon, a function which is tradition-
ally given in honor of members of for-
eign missions, representatives of
friendly navies and former presidents
of republics who visit London. The
peace delegates mingled in the most
friendly fashion, partook of the famous
Mansion House turtle soup and list-
ened to an optimistic speech by Prem-
ier Asquith.

Of business the delegates transacted
none of a formal character, but the
embassies and the hotels where the
delegates are quartered were buzzing
with informal conferences.

Don't Want Armistice.
The Sublime Porte has empowered
its envoys to include the Greek dele-
gates in the negotiations for peace,
and a messenger with the documents
containing this decision is expected to
reach London tomorrow. Despatches
received here from Constantinople say
that the Turks are confident that they
now occupy a better military position
toward the Greeks than when the ne-
gotiations began, and that Turkey
now would not sign an armistice with
them even if the Greeks requested it.

The Turkish delegates have been
instructed, according to another re-
port, to raise the question of the
status of Adrianople immediately, and
if Bulgaria persists in demanding its
surrender, to break off the peace ne-
gotiations; but diplomats generally
are skeptical of this story.

Problem Difficult One.
While the agreement of the am-
bassadors of the powers on autonomy
for Albania is an independent step,
the working out of the details of the
scheme making it effective will be one
of the most difficult problems a
European conference ever has grappled
with.

The Economist notifies financiers
and investors to expect in the coming
year loans totaling \$400,000,000, with
which to repair the losses caused by
the war and the mobilization in Rus-
sia, Austria and Italy. The newspaper
estimates the cost of the war at \$175,000,000,000, using as a basis of reckon-
ing the fact that there are 1,080,000 men
under arms—400,000 Turks, 300,000
Bulgarians, 200,000 Serbians, 150,000
Greeks and 40,000 Montenegrins—at an
average expense of ten shillings daily
per man.

FOSTER OPENS CAMPAIGN

Midway Electors Heard Municipal
Issues Explained by Controller.

Dulmage's Hall, at the corner of Ger-
rard st. and Rhodes ave., was well
filled last night by the electors of the
Midway district, who gathered to hear
the issues of the civic campaign dis-
cussed at a meeting held in the inter-
ests of Controller Thomas Foster. The
chair was occupied by McEwen Mc-
Neill, Controller Foster in his address
urged the need of curbing extravagance
in both great and small expenditures,
and gave some instances where re-
trenchments could be effected. A musi-
cal program was rendered by Jack
Darby, baritone; Harvey Lloyd, comic
singer, and Mlle. Gabrielle, pianist.

Last Chance to See "Kismet."
The local engagement of "Kismet,"
in which the noted actor Otis Skinner
appears this week at the Princess
Theatre, will close with today's mat-
inee and tonight's performance. The
company leave Toronto Sunday morn-
ing for Detroit.



CANADA'S SHIPS
BUILT IN CANADA

Mayor Hocken Thinks Dread-
noughts Ultimately Will
Be Constructed in the
Dominion.

Mayor Hocken told the members of
the Centre and South Toronto Con-
servative Club last night that Prem-
ier Borden's navy proposals will be
found, when all has been announced,
to be of a most sweeping nature. The
great dreadnoughts which he will
have Canada contribute to the em-
pire's defence will be built in this
country, of Canadian materials, by
Canadian labor and manned by Cana-
dians. This, his worship said, he be-
lieves is the premier's ultimate plan,
and as such it must be worthy of the
support of all true Canadians.

"We have here in Canada the world's
nickel supply," said he. "Without it,
the highest type of Dreadnoughts could
not be built. But Canada does not
prohibit the export of nickel. If Ger-
many possessed the same, I believe
she would keep it for herself in order
to build up the greatest nickel indus-
try in the world."

The object of the meeting last night
was to hear municipal candidates. The
president, Arthur Van Koughnet, in
opening, declared it to be the policy
of the club to keep party politics out
of municipal affairs. The different
speakers, however, did not leave party
comment out of their speeches. Jake
Cohen, J.P., in a brief address, de-
clared that the "fewer Greeks it will
be to the council, the better it will be
for the Tories." Mayor Hocken, who fol-
lowed, chose to speak about politics in
general, since, being without an oppo-
nent in his candidature, he did not need
to make a campaign speech.

Controller Church, Morley Wickett,
A. E. Burgess, Dr. John Shayne and R.
D. McLeod spoke briefly on municipal
matters and asked for support in the
coming election.

The chairman read the following let-
ter from Premier Borden:
Ottawa, Dec. 13, 1912.
Dear Mr. Van Koughnet:

Many thanks for your letter of the
19th inst. Will you kindly convey to
the officers and members of the Centre
and South Toronto Conservative Club
my sincere thanks for their kind con-
gratulations, which I very greatly ap-
preciate. It is very satisfactory to
learn that the proposals of the govern-
ment meet with the general approval
of the citizens of Canada. We are firmly
convinced that they will be of very
material advantage not only to the Do-
minion, but to the cause of imperial
unity.

With kind remembrances, believe me,
Yours faithfully,
(Sgd.) R. L. Borden.

Fellowes' Dismissal

The recommendation to dis-
miss Engineer Fellowes was
referred back until the mem-
bers of council have been sup-
plied with a copy of Judge
Winchester's report on the re-
pairs to the intake pipe.

OBSTINATE

Maguire Wants More
Information.

Controller Maguire yester-
day asked for reconsideration
of the board of control's re-
commendation to give Com-
missioner Harris sufficient
plant, etc., to help his depart-
ment out with the large
amount of work it has on its
hands. The board of control
misunderstood his motion and
struck out the item covering
sand and gravel pit and stone
quarry. He wanted the item
covering the gravel pit rein-
serted. This question will
come up again.

STRONG SUPPORT
OF BONAR LAW

F. E. Smith, M.P., Says Col-
leagues Fully Endorse At-
titude on Tariff Re-
form.

LONDON, Dec. 20.—(C.A.P.)—F. E.
Smith, speaking at Dudley today, said
if Bonar Law was wrong the rest of
his colleagues on the front bench were
wrong with him. Mr. Smith said
emphatically that Law said food taxes
would be settled by the dominions'
opinion.

"Has anyone yet forgotten the
splendid bribe which America offered
Canada?" he asked. "Has anyone
forgotten how the American people
made prodigious efforts to secure these
advantages which we are offered for
nothing and which we have hitherto
been blind enough to refuse?"

Risks Political Life.
"I can only say for myself that just
as Canada fought her battles for Eng-
land, so will I according to the poor
measure of my capacity fight my bat-
tles for Canada. The Conservative
party in Canada took their lives in
their hands on behalf of England. I
for one will not put a higher value
upon my political life." (Cheers.)

Mr. Smith concluded by inviting
those Unionists who disagreed with
him to await the developments which
years would bring rather than wreck
the only party which stood for im-
perial solidarity.

REVOLT FEARED
IN MONTENEGRO

Failure of Scutari Siege, Involving
Heavy Losses, Gives Rise to
Acute Discontent.

LONDON, Dec. 20.—(Can. Press.)—
A despatch to The Daily Telegraph
from Vienna reports that there is ser-
ious anti-dynastic agitation in Mon-
tenegro, arising out of the lack of suc-
cess of the Montenegrin army besieg-
ing Scutari. In addition to the loss of
6000 men, including many officers, be-
longing to the best families of the
kingdom, the results of the war are
proving very serious and famine is
threatened.

"The king himself took command of
the troops at the last moment," the
correspondent continues, "hoping to
associate his name with the fall of
Scutari and thus strengthen the dy-
nasty; but the siege has failed and the
position of the besiegers in winter is
worse than that of the besieged."

KING FERDINAND HASTENS
HOME

LONDON, Dec. 20.—(Can. Press.)—
King Ferdinand of Bulgaria left
Salonki hurriedly today for Bulgaria
on receipt of a despatch from his
government. His sons, Prince De-
v and Prince Cyril, will follow him to-
morrow.

NOT AGREED ON
HICKEY'S GUILT

Jury Deadlocked After Nine
Hours' Deliberation—
Alienists Give Con-
flicting Evidence.

BUFFALO, Dec. 20.—(Can. Press.)—
After nine hours' deliberation the jury
in the case of J. Frank Hickey, ac-
cused of murdering Joseph Josephs,
the seven-year-old Lackawanna boy,
was unable to reach a verdict and the
twelve men were locked up for the
night. If a verdict is reached during
the night it will be sealed and report-
ed to Justice Brown in the supreme
court tomorrow morning.

W. E. McTEER'S NEW POST.

MONTREAL, Dec. 20.—(Can. Press.)—
D. McColl, vice-president of the
C.P.E., announced the appointment of
W. E. McTeer as general manager of
eastern lines, including maintenance
and operation, today. This post has
been vacant since the promotion of Mr.
Leonard about two years ago. Mr.
McTeer, who is now one of the assist-
ants to the vice-president, will assume
his new title on Jan. 1. His jurisdic-
tion will extend east of Fort William.

ST. PETERSBURG, Dec. 20.—(Can.
Press.)—A committee of the duma en-
gaged in drafting an address to Em-
peror Nicholas, has reached a dead-
lock, a majority of the members re-
fusing to make allusion in the instru-
ment to the autocratic power of the
Emperor. It is anticipated that the
deadlock will continue when the mat-
ter comes before the full house.

Struck by Auto.

Five-year-old Harvey Harrington of
108 Brunswick ave. narrowly escaped
death yesterday afternoon about four
o'clock, when in attempting to cross
College st. he was struck by a City
Dairy auto. The child sustained a se-
vere gash above the left eye and was
otherwise badly bruised.

MONEY WAS SAVED
CLAIMS THE CITY
TREASURER

Particulars of London Loan
Were Given to Treasury
Board—Always Open to
Public Inspection—Credit
of Toronto Stands High in
London, Says Treasurer.

The city saved money by sending ex-
Mayor Geary and City Treasurer Coody
to London last summer in search of a
loan, according to the report submit-
ted to the treasury board late last night
by Mr. Coody. These particulars have
always been opened to public inspec-
tion, he says, and the reason why he
hesitated to give further information
is that he wanted the consent of the
London bankers, as well as the treas-
ury board. He also affirms that the
credit of the city stands high in Lon-
don.

His latest report reads:
"Referring to Report No. 2 of the
treasury board, reporting to council in-
formation respecting the negotiations
by the mayor and the treasurer in con-
nection with the floating of £1,500,000
sterling 12 months' treasury bills of
the City of Toronto, bearing interest
at 4.1-2 per cent, maturing Aug. 1,
1913, I beg to report for the further
information of the council, that the
cost of floating the loan was merely
the usual charges incidental to any
similar transaction, namely: Bankers'
and brokers' commission, 1-16th per
cent, respectively, making 1-8 of 1 per
cent, of £1500 sterling; English stamp
duties, one shilling per £100, or £600;
net loss on exchange, \$322.43, or say
£46; mayor's and treasurer's expenses,
as already reported to council, £345.

"These latter personal expenses, how-
ever, by the personal delivery of the
bonds in London, were more than
doubly offset, and quite a saving to
the corporation was effected.

"These particulars were entered in
the minutes of the treasury board and
have always been open to inspection
by any member entitled to the infor-
mation.

"The bonds deposited in London as
security for the loan were issued for
the following purposes:
"Main sewers, \$862,400; Ashbridge's
Bay improvement, hospitals and pub-
lic parks, \$211,000; waterworks pur-
poses, \$316,900. Total, £1,189,300.

"I of course hesitated to give the
full particulars of the cost of floating
the loan outside the members of the
treasury board without the knowledge
of our London bankers, who acted for
us, but having obtained their full con-
sent, I have now the pleasure of pre-
senting the foregoing report.

"The credit of the city stands high
in London or such a large loan could
not have been floated on the terms
secured, in view of the condition of the
money market then and since prevail-
ing."

Many Happy Returns
to Mr. John F. Scholes, born at Most,
County Athlone, Ireland, on the 31st
December, 1842.

DEAD, AGED 107 YEARS.

GUELPHI, Dec. 20.—(Special.)—
John Haley, Guelph's oldest resident
died this morning, aged 107 years.
He was for many years a farmer in
Garafra Township. There is no
doubt about the old gentleman's age,
it being attested by a record in a
well-kept family Bible.

Who Remembers It—Folan Raid
An old member of the 16th Royals,
who was at Ridgeway, is having trou-
ble in establishing his claim to the
pension. He says that after the return
of that regiment to Toronto from
Ridgeway the citizens of Toronto raised
a sum of money for the benefit of
the volunteers who were engaged in
the raid and that he drew \$12 out of
that fund and signed a receipt for it
at NeSmith's Bakery, at the corner of
Adelaide and Jarvis sts. This would
be probably in July or August, 1865.
If there was a citizens' committee, per-
haps somebody in it has that receipt
with these receipts. If they know of
it, would they please inform The
World, as it will be of value to any
veterans who have not yet established
their claims.

DINEEN'S MEN'S HAT NIGHT.

Saturday evening, from 6 to 10
o'clock, is men's hat night at Dineen's,
when a sale is on in the basement of
men's hats for one dollar. Dineen's do
not say they sell the best hats in the
store for one dollar on Saturday night,
but they do claim to give a better dol-
lar's worth of hat than that can be
secured anywhere in Toronto at any
other time. If you want a hard felt,
soft felt, cloth hat or cap or a head-
piece of any description come into
Dineen's when this basement hat sale
is on and have yourself suited for one
dollar. W. D. Dineen Company,
hatters and furriers, corner Yonge
and Temperance streets.

ONLY 3 DAYS

There is but three days left in which World readers can secure a
copy of the Illuminated Bible. The distribution will finally close at
12 o'clock on Christmas Eve, December 24th. It will be impossible
to secure a copy of this Bible after that date.

As a gift book there is nothing that will equal the Illuminated
Bible. The thousands of World readers who have availed themselves
of the opportunity to secure one will testify to that. Finished in
flexible leather binding, with overlapping edges, gold letter, printed
on thin Bible paper, illustrated with over 600 tint pictures in hal-
ftone, and with numerous colored plates, it is well worth the value
placed on it, namely, \$5.00. For one coupon and a bonus charge of
\$1.15 you can obtain it. Remember, it is only for three days more.
Clip Certificate from Page 8.

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ERS.
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