

SPLendid SITE FOR DRUGGIST  
West end corner, good building  
\$10,500  
H. H. WILLIAMS & CO.  
35 King Street East.

PROBS: Moderate winds; partly fair, local  
snowdrifts and colder.

## 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,  
contained a full and complete answer  
to the criticisms of the hydro-electric  
department by City Auditor Sterling.

Some of the outstanding statements  
of the report of the accountants are:  
That there has been no improper capi-  
talization 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-  
terprises; that the policy of the com-  
missioners in charging sinking fund  
and depreciation funds against re-  
venue 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 pro-  
viding for interest, sinking fund and  
depreciation out of income; that the  
report of the city auditor is marred by  
serious inaccuracies, evidently pro-  
ceeding from insufficient enquiry into  
the facts and insufficient reflection  
thereupon; and that in consequence  
thereof he has given an entirely er-  
roneous and misleading view of the  
position of the undertaking.

"All the questions raised by him,  
and the facts and conditions relat-  
ing thereto, are fully, fairly and cor-  
rectly set forth in respect of each  
separate question in the annexed formal  
report."

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 cus-  
tomers 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 depicts  
a saving during the year of 1913, owing  
to the reduced rates from the pro-  
vincial 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-  
derlying, and also its financial posi-  
tion, 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 stan-  
dards 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-  
erations of 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  
unimpeachable information to the ef-  
fect 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-  
bassadors conference instead of the  
dependence seems to imply an inten-  
tion on the part of the powers to  
leave Albania under Turkish suzer-  
ainty. 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. Zenzalos, the Greek premier,  
proposed, and M. Danef, the Bulgar-  
ian delegate, seconded a motion that  
the peace conference should endeavor  
to enter into confidential relations  
with the ambassadors 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 the  
allies want an independent Albania  
and not an Albania under the sultan's  
suzerainty.

The Balkan delegates have decided  
to place a wreath on Gladstone's  
monument as a mark of gratitude to  
their "great and faithful friend."

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, 30 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  
woman has 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 population  
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-  
dors 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 lis-  
tened to an optimistic speech by Pre-  
mier Asquith.

Of business the delegates transacted  
none of a formal character, but the  
ambassadors 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 grap-  
pled 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, using as a basis of reckoning  
the fact that there are 1,090,000 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-  
rand 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  
Duffy, 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 Pre-  
mier Borden's navy proposals will be  
found, when all has been announced,  
to be of a most sweeping nature. The  
great superdreadnoughts 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, declar-  
ed that the "fewer Grits were elected  
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 Wickert,  
A. E. Burgess, Dr. John Shyne 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  
10th 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  
Empire, 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

NO!

"WE ARE ALL AGREED  
THAT THE PRESENT SYSTEM  
OF TAXATION IS VICIOUS  
AND INIQUITOUS"

-TORONTO BOARD OF TRADE

Maguire Wants More  
Information.

Controller Maguire yester-  
day asked for reconsideration  
of the board of control's recom-  
mendation 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.

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.

The jury took the case at 1:30  
o'clock this afternoon. District At-  
torney Wesley C. Dudley summed up  
for the prosecution, and Daniel V.  
Murphy, the prisoner's attorney, spent  
an hour in presenting the evidence in  
a light designed to convince the jury  
that Hickey was and is mentally in-  
responsible.

The conflicting expert testimony as  
to the state of Hickey's mind at the  
time he killed the boy concededly is the  
point over which the jury split.

W. E. McTEER'S NEW POST.

MONTREAL, Dec. 20.—(Can. Press.)—  
D. McNeill, 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 juris-  
diction will extend east of Fort William.

WON'T RECOGNIZE CZAR'S  
POWER.

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 7  
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.

## 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 denied  
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-  
tle 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 seri-  
ous anti-dynastic agitation in Monte-  
negro, arising out of the lack of suc-  
cess of the Montenegrin army besieging  
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 dyn-  
asty; 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 Boris  
and Prince Cyril, will follow him to-  
morrow.

## 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 Coady  
to London last summer in search of a  
loan, according to the report submit-  
ted to the treasury board late last night  
by Mr. Coady. 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 £200;  
net loss on exchange, \$322.43, or say  
£45; 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, \$216,900. Total, £1,189,900.  
"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-  
sents 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 se-  
cured, in view of the condition of the  
money market then and since prevail-  
ing."

Many Happy Returns  
to Mr. John F. Scholes, born at Mont-  
County Athlone, Ireland, on the 21st  
December, 1842.

DEAD, AGED 107 YEARS.  
GUELPH, Dec. 20.—(Special.)—  
John Haley, Guelph's oldest resident,  
died this morning, aged 107 years.  
He was for many years a farmer in  
Garafrax 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—Fenian Raid!  
An old member of the 10th 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 Neameth's Bakery, at the corner of  
Adelaide and Jarvis sts. This would  
be probably in July or August, 1866.  
If there was a citizens' committee, per-  
haps somebody in it has that record  
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 may 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.