

The Toronto World

FOUNDED 1890
A morning newspaper published every day in the year by the World Newspaper Company of Toronto, Limited.
H. J. MACLEAN, Managing Director,
World Building, Toronto,
40 West Richmond Street.
Telephone Calls: Main 5308—Private exchange connecting all departments.
Branch Office—31 South John St., Hamilton, Telephone, Regent 1946
Daily World—2c per copy; delivered, 50c per month, \$1.35 for 3 months, \$2.50 for 6 months, \$5.00 per year in advance; or \$4.00 per year, 40c per month, by mail in Canada (except Toronto), United Kingdom, United States and Mexico.
Sunday World—5c per copy, \$2.50 per year by mail.
To Foreign Countries, postage extra.

THURSDAY MORNING, AUGUST 26.

First the C. P. Shareholders Were Exploited—Now the Public.

The C. P. R. lawyer, in closing argument for higher railway rates, said they had to have them so as to pay ten per cent. dividends on the stock. But the suppressed any information as to how thirty-five millions of original capital stock grew into eight times that amount. It was the result of wizardry in high finance by which shares of millions were out among shareholders, and to find an excuse, therefore, the subterfuge was used of retiring all bond and fixed debenture stock (at four per cent. annual charge) and substituting ten per cent. common stock. About two hundred millions of four per cent. bonds were replaced by ten per cent. dividend-bearing common stock.

The then shareholders got their new stock much below the market price; eventually this stock was carried above 100. Later it came below 120, and millions of money has been lost to shareholders who suffered from these financial adventures of the wizard-directors. As a matter of fact the C. P. R. has lost control or direction of its own securities by that unwise adventure.

And yet parliament, tho warned of the danger to the investor, to the public who find the money for dividends on the company's commitments, and of the danger of the control passing out of Canada, permitted this high financing to go thru. Every minister of justice, every minister of finance, every premier in office, every leader of opposition, approved it.

The public are now asked to pay the shot. Next to them the ones who suffered most are the investors in a security that ought to command a hundred per cent. premium.

Few people take time to think that the railway most quoted for management and bigness gave its own shareholders the roughest treatment. More money has been lost in C. P. R. stock in the stock market than in almost any other railway security on the New York stock exchange. But somebody must have correspondingly made a lot of money out of these share owners and speculators. Who were they? Not the public who pay the rates. The railway commissioners should find it out.

And some of the newspapers that profess to oppose higher railway rates never opened their mouths when these things were going on—they praised them all as masterpieces in railway financing.

The great bulk of the C. P. R. stock is changing or will change hands at below 120. Must these shares be given ten per cent. dividends because of a mad adventure in its securities by directors some years back?

What parliament should do is to compel the company to restore its bond issue; better still, to absolutely order the retirement of two-thirds of its stock at the present market price out of its "extraneous assets," to use the words of the financial wizards who worked the miracle of conversion, and who still dream and desire, not only ten per cent. dividends, but who'd like "to segregate these extraneous assets" into future melons.

There is no exploitation of private individuals, of the public, of shareholders, by high financiers where the principle of public ownership prevails.

The Bolsheviks and Their Army.

The public are gradually getting posted as to the methods of the Bolsheviks, say of the soviet government in Russia.

It may be a party of reform, it may be a party of revolution, it may be seeking to cure the piled-up injustices of times before the war. But it is certainly a government that employs an army of butchers; that robs and confiscates; that murders innocent men and women by the thousands; that absolutely denies public discussion, public printing; that declares against any rights in property; that takes no stock in either morals or religion.

It is a government of invasion, say into the newly-created state of Poland; it would subdue the Poles, make them subjects of another race. No one has yet been able to yet any accurate account of the slaughter, the robberies, the destruction of property, of railways in Russia.

The soviet has, thru its leaders, boldly preached the doctrine that the destruction of all existing states and governments is the only way that it can follow. It looks as if it were the worst of all tyrannies, the tyranny of ignorance and brutality.

But more menacing than even the Bolsheviks, and it is the problem for the English-speaking world, is that a section of the citizens of Britain, the United States, of Canada, are because of their own grievances, real or im-

agined, willing to sympathize with the program of the soviet.

The world has in many respects to be set right—the great war has proved that—but the Bolsheviks are not quite the parties to undertake the readjustment.

The Farmers and Farm Help.

The farmers say they cannot get help to work their farms; that the attractions, of the cities draw the workers away from the farm. What is the farmer doing to hold the workers in the country?

Can a married man and family get steady work on the farm with a decent house to live in? Can he get fuel and light?

Can the hired man count on a steady job, comfortable sleeping quarters, on the farm?

Is the farmer making his sons and daughters partners in the working of the farm; or, failing that, are they in receipt of regular wages for what they do? Young people will not stop on the farm if they can get wages and better conditions in the city.

Are there farmers who will not even set up their sons in farming on their own account?

The first thing the farmer must do is to try and keep his own family at home by some kind of partnership. Next he must improve the conditions of those who work on the farm.

If working on a farm is to be occasional rather than permanent, the time has come to revise the methods.

If the workers go to the cities and the work on the farm is to be occasional, has it ever struck the farmer that radial railways like Adam Beck proposes will provide quick transportation to the farms from the towns? Labor will flow to the farm as well as to the city when the farmer insists on better transportation. Help the workers to get to the farmers from the towns, especially if the work is to be occasional.

The capitalists who oppose public ownership of radials, who want big rates for telephone companies, and who would like the distribution of power and light made a public monopoly, have a lot to do with sending people to the towns. And the farmer has to blame himself for a part of the trouble.

The conditions as between town and country must be equal to keep people in the country, even the farmer's own family, let alone hired labor!

Reduce Exorbitant Profits First.

To the war must be credited the greater and keener interest of all humanity in the welfare of the community. Theories are being advanced by well intentioned but misinformed individuals that are thought to be a panacea for all the ills that flesh is heir to. These theories are not new, and the advocates, if they look into history, will find they are simply revamping the arguments that have done duty since creation. A communian even among the Apostles went astray because of the selfishness of one individual. It has been so since the beginning and will so remain as long as human nature exists. The extreme radical elements of the Labor party are preaching a doctrine most acceptable to those who see the enormous profits made by many because of the credit inflation. Revolutionary methods in taxation to restore these profits to the people may be requisite. But to get down the high cost of living it is necessary for the worker to reduce his energies so that there may be real competition and not scarcity. The lot of the artisan is one of steady improvement. His living conditions should and must continue to grow better as economic education is advanced. But the process is a gradual one and nothing should be put in the way of individuality asserting itself.

To the government properly constituted belongs the duty of rectifying the profiteering which has been and is so flagrant in Canada, and which is largely responsible for the dissatisfied public mind.

Remark in Passing.

Glimpses at one or two of the shows that are opening the season here seem to indicate that while the war shortage of choruses men is to some extent over, the scarcity of stockings is still with us. Some say it would be easy to get along without the men.

An Ottawa government sugar expert prophesies sugar at ten cents a pound in the near future. A lot of people have prophesied the coming of the millennium, but there is no sign of it yet.

The Turkish sultan is not in favor of personally heading an expedition against the Nationalists. His reply to the proposal, freely translated from the Turkish, is: "Let George do it."

Mayor Church might test the strength of The Telegram's loyalty by declaring publicly that "Oh Canada" is better suited for the Canadian national anthem than "The Maple Leaf."

Canada Permanent Mortgage Corporation

QUARTERLY DIVIDEND
NOTICE is hereby given that a dividend of ONE AND ONE-HALF PER CENT. for the current quarter, being at the rate of

TEN PER CENT. PER ANNUM on the paid-up Capital Stock of the corporation, is payable on the first day of OCTOBER

next to Shareholders of record at the close of business on the fifteenth day of September.

By order of the Board,
GEORGE H. SMITH,
Assistant General Manager,
Toronto, August 25th, 1920.

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The word "martyr" is about as appli-



Owing to the fact that you're getting used to it, we're raising our prices.

cable to Lord Mayor MacSweeney of Cork, who is deliberately destroying himself in Exton Jail, as it was in the case of the old woman who, when asked about her husband, replied that he was a terrible martyr to gelatin tremens.

In England they are fighting Russian soviet methods and the Sinn Fein hunger strikers, who will not repudiate assassination of policemen.

Mr. Drury seems to have to take charge of the many commissions he has created. Let him put in good men and instruct competent lawyers to present the facts, regardless of the consequences. That's enough for him. There's a look of friction about his proceedings; and that a kind of "grand jury work" devolves on the ministers.

Where is the Chamber of Commerce? What is it doing about the price of sugar? Ten cents for a cup of coffee in Toronto restaurants is rather due to 25-cent sugar!

And why should a war tax of five cents on a five-cent box of matches justify the Eddys asking fifteen cents for it? The public find it hard to keep their temper. In the stores, coal, sugar, grain, cotton, hosts of things are falling in price. All we get here is higher telephone and sleeping car rates. Cabbages are the only cheap things in Canada!

The Farmers' Sun is out for hard cider on the back concessions as the only way to get the city folks on the land again.

Col. Mulloy has diagnosed the Bell Telephone's object: it would tell every telephone call of its subscribers, as it tells each call in a hotel. Make hotel extravaganzas and hotel over-charges the principle that should govern prices of what ought only to be a public service.

FIGHT PHONE RATES TO HIGHEST COURT

(Continued From Page 1)
regarded as ample, considering the fact that they had a monopoly with investment secured. If the shareholders were not satisfied with eight per cent, he believed Mr. Carvell would gladly accept such an investment.

"We hear," said Mr. Marriott, "a great deal about the surplus fund, but very little about the depreciation fund. If the company should decide to capitalize this surplus they would then draw more than eight per cent on investment. In fact they could not do this, take up the whole capitalization of \$75,000,000 permitted them, although only \$55,000,000 has been put in the concern."

Toronto business houses, said the speaker, should for a week or more keep a record of all calls so they would know exactly what the phone service under the proposed rate would cost them.

The basic charge of assessing rates as regards business phones, Mr. Marriott thought, should be strongly resisted. The Bell Co. had no right to exploit the business interests. Toronto would demand a full and complete investigation of the Bell Company's revenue and insist that they receive no more than they are entitled to.

Retain Counsel to Fight.
W. C. Miller, of the Retail Merchants' Association, said counsel had been retained to assist in fighting the proposed increase, and Dr. John Hunter and W. D. Dineen of the board of education said the board would support the fight against the Bell company's demands.

The rate increase, said a representative of the G.W.V.A., would severely hit the hundreds of returned men who were in business in a small way.

The statement was being repeatedly made that the stock was watered, but that was not so.

Mr. Sise read a statement from his auditor declaring the capital stock of \$29,557,000 had not been issued below par. There were about \$15,000,000 in bonds outstanding. Mr. Sise said his concern earned 5.8 per cent. in 1916, 5.5 in 1917, 4.2 in 1918 and 3.9 in 1919.

For every dollar advanced now in 1917 of one per cent. When questioned, he admitted that this was on the book value of \$55,000,000. If earned, it was not on the actual value, which would be impossible to get new capital.

"What will happen if the extension of this system stops?" asked Mr. Sise, looking up at Hydro? "called a dozen voices."

After Mr. Sise had finished he was asked a few questions and the meeting then adjourned. The speaker had requested everyone to be prepared with any evidence available to support the city's fight against the increase.

Answer to No. 221.
GERMAN minus R minus MAN plus GEORGE minus F leaves GEORGE.
(Copyright, 1919, by Sam Loyd.)

SERBIAN STATEMENT ABOUT COL. BURNHAM

Consul-General Declares Canadian Officer Not Asked to Leave Montenegro.

Montreal, Aug. 25.—"There is no truth in the statement that Serbia has requested a Canadian doctor, Col. W. F. Burnham, to leave Montenegro," said Capt. A. V. Seferavitch, consul general of the kingdom of the Serbs, Croats and Slavs, this morning. "This statement, which has appeared in the press, is credited with having been given out by the Montenegrin minister of foreign affairs in London. Since the signing of the peace treaty there has been no Montenegro as a separate state, for then it became part of Yugoslavia. Today I received word from my government, in Belgrade, that there was absolutely no foundation for the rumor. The cable stated that Col. Burnham left Montenegro, he had done so of his own free will and desire."

A. ECREMENT, EX-M.P., IS SENT UP FOR TRIAL

Montreal, Que., Aug. 25.—Arthur Ecrement, notary at Montreal, and former member of parliament, was sent up for trial on three charges of raising pretences by Judge Casson in the enquete court today.

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IMPERIAL PRESS DELEGATES REACH VANCOUVER

Vancouver, B. C., Aug. 25.—The Imperial Press delegation reached Vancouver this morning for a two-day stay. They are to visit Victoria on Friday, returning east on Sunday from Vancouver.

FIGURES ILLUSTRATE REVIVAL OF BELGIUM

Ottawa, Aug. 25 (by Canadian Press).—Striking testimony to the rehabilitation of Belgian commerce and industry is afforded by figures made public by the Belgian consul-general here. They show that during the first five months of the present year Belgian imports rose to 4,719,737,000 francs, whereas during the corresponding months in 1919 they only amounted to 1,276,033,000 francs. Exports for the first five months of the present year amounted to 3,307,263,000 francs as compared with 217,744,000 francs in 1919. These figures are regarded by the consul-general as "the surest sign of the revival of Belgian economic life."

WITHDRAWAL POINT AU BARIL SLEEPER.

Canadian Pacific sleeping car now operated between Toronto and Point au Baril will be withdrawn for season 1920 as follows:

Last sleeper from Toronto, September 10.
Last sleeper from Point au Baril September 13.

WORLD'S DAILY BRAIN TEST

BY SAM LOYD.
15 Minutes to Answer This.
No. 282.

Brown and his wife opened their savings box, where they kept the loose change, and found they had between one and two dollars, which Brown proceeded to divide in the proportion of 3 to 5. To this arrangement the wife readily agreed, but when he was looking she jokingly slipped three coins of the same denomination from his to her pile which still left the two piles in the ratio of 3 to 5.

How much money had each?

Answer to No. 281.
GERMAN minus R minus MAN plus GEORGE minus F leaves GEORGE.
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JUDITH OF BLUE LAKE RANCH

By JACKSON GREGORY.

CHAPTER XXVII. (Continued.)

From this ridge, finding an open crest, she stood looking out over the world. Mile after mile of mountain and canon and cliff fell away on every side. She sought eagerly for a landmark: to see yonder in the distance Old Baldy for Copper Mountain or Three Fools' Peak, any one of the mountains or ridges known to her. And in the end she could only shake her head and sigh wearily and slip down where she was to fall asleep, thanking God that she was free, asking God to lead her aright in the morning.

The stars watched over her, a pale, worn-out girl sleeping alone in the heart of the wilderness; the night breeze sang to her, and the old tree-tops; and Judith, having striven to the uttermost, slept in heavy dreamlessness.

Last night the one friend she had with her was the north star. Today the sun rolled into a clear blue sky, and in that direction she believed the Blue Lake Ranch lay, tho at best it was a guess. But going westward she could follow the course of the bigger streams, and soon or late, if her strength held, she would come to some open valley where men ran stock. Now, she would go down into the little meadow lying a mile away yonder and seek to find something to eat. If she could but dig a few wild onions, wild potatoes, they would keep her alive. West she would go, if for no other reason than because thus she would be setting her back squarely upon the cavern where Quinnton and Ruth were.

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By noon she was faint and sick and had to stop often to rest her head, shaking under her. Again she made a scant meal. She had stumbled on a tiny field of wild potatoes and ate what she could of them, thinking longingly of a match for a fire. The match which Ruth had dropped she still had, but she cautiously reserved it now, thinking how perhaps a trout, caught in a pool, might save her life.

In her already half-starved condition and with the dew on her forehead put on her strength, she would grow weaker and weaker if help did not soon come. But she was still filled with the glory of freedom.

It was a heart-weary, trembling

Judith who late that afternoon made her way upward along another ridge, seeking anxiously to find from this lookout some landmark which she had sought in vain last night. In her blouse were the few roots she had brought with her from the field discovered at noon. Lying in a little patch of dry grass, resting, she watched the day go down and the night drift into the mountains, filling the ravines, creeping up the slopes, rising slowly to the peak to which she had climbed, seeping into her soul. Never had the passing of the day seemed to her so majestic a thing, never so half-realized as this, truly filled with awe. Never until now had the solitudes seemed so vast, so utterly, stupendously big. Never until now, as she lay staring up the limitless sky, having given up the world about her as unknown, had she drawn to the lees of the cup of loneliness.

So great was the weariness of her tired body that as she lay still, watching the stars come out one by one, she was half-dreaming, and so and let death come to find her. It seemed to her that here in the rude arms of Mother Earth a human life was a matter of no greater consequence than the down upon a moth's wing. But she rested a little, her heart, so sorely daring, intrepid heart, passed and she sat up, a resolute, again ready to make her fight as long as life beat thru her. A sputtering flame, making the little from her pocket, she scarcely dared breathe, when, with dry grass and twigs piled against a rock, her dress shielding them from the wind, she lit the match, and the light of a great fire blazed up, making the night seem like day. She had a fire and she knew how to use it!

When a log was blazing, assuring her that her fire was safe, she rose swiftly and went in search of the tree she meant to burn. She found a giant pine, pitch-coated, standing in a rocky open space, where there was little danger of the fire spreading. Fagged out and eager as she was, she had not come to the point of forgetting what a great forest fire meant. She went back to her burning log, for a blazing dry branch which she carried swiftly to the tree. Then she piled dry grass and dead twigs logs as heavy as she could carry, bits of brush. The flames licked at the tree, ran up it, seemed to fall away, sprang at it again, hung on. Now and then a long tongue of the fire went crackling high up along the side of the tree, Judith went back to a spot where in a ring of boulders, there was another grassy plot, threw herself down and lay staring at the tongues of fire which were climbing higher and higher.

Continued Tomorrow Mornings.

ON CLUB LICENSES.

Editor World: As a member of one, please advise whether Mayor Church issues restaurant licenses to our clubs. Perhaps he will threaten to cancel any such license also.

One of the New Poor.

Two Business Men and the Telephone!

"WHY, in my business I use the telephone fifty times a day! Just think what my bill will be," says one business man.

And next door is a small retailer who perhaps doesn't use his telephone for out-going messages more than twice a day!

Ought they to pay the same for telephone service? Should anybody but the man who makes fifty calls a day pay for those fifty calls? Somebody must pay for them. They involve twenty-five times the operating labor required for the two calls of the retailer.

Big cities whose telephone traffic is heavy have found no reasonable alternative to the message rate basis. It fixes a charge in direct ratio to use of the service.

The Bell Telephone Company of Canada

BUY LOTS NOW before they advance in price, and start building for occupation next winter.

Beautiful Residential Property. Nearest Restricted District to the Centre of the City. West Side of Bathurst St., North of St. Clair Ave. CEDARVALE.

Two miles from the corner of Bloor and Yonge Streets, and thirty minutes by street car to King and Yonge Streets. Adjoins the beautiful residential section surrounding Grace Church, on Russell Hill Road—a few hundred yards beyond the residence of Mr. J. J. Fleming, corner of St. Clair Avenue and Bathurst Street.

300 acres of restricted property, with township taxes; large lots and park areas; locality is strictly first class and very attractive on account of the beauty of the ravine and the new bridge, massive gates and other substantial improvements.

SPECIAL FACILITIES offered to persons who BUILD: first mortgage will be arranged, also second mortgage for part of purchase money.

HOUSES WILL BE CONSTRUCTED for owners under supervision of Company's Superintendent at MINIMUM COST.

CONVENIENCES—Hydrants and city water, electric light, good roads and sewage disposal; five minutes walk to city cars.

APPLY British & Colonial Land & Securities Company, Bank of Hamilton Building, Telephone Main 1959; or H. B. Taber, Superintendent, Hillcrest 5887.

JOHN CATTO

ESTABLISHED
MAKE A SPECIAL OF
BLANKETS IN THE
DOMESTIC

Scottish Wool

Fine display of sizes, all cut and all white or pink. Our prices are reduced.

Canadian Wool

Size 68 x 88 All-pink or blue borden and whippers. Made staple yarn and satisfactory wear. \$25.00 per pair.

Union Blanks

Size 60 x 80. All-pink or blue. \$10.00 per pair.

Cotton Filled

Blankets covered cotton filling in sizes. Showers in colors, prices.

Down Quilts

Single and double. All assortment of sizes. Prices realized so and let death come to find her. It seemed to her that here in the rude arms of Mother Earth a human life was a matter of no greater consequence than the down upon a moth's wing. But she rested a little, her heart, so sorely daring, intrepid heart, passed and she sat up, a resolute, again ready to make her fight as long as life beat thru her. A sputtering flame, making the little from her pocket, she scarcely dared breathe, when, with dry grass and twigs piled against a rock, her dress shielding them from the wind, she lit the match, and the light of a great fire blazed up, making the night seem like day. She had a fire and she knew how to use it!

Re-Covering D

We re-cover down quilts. For this a beautiful range of satens in big variety of colors and designs.

JOHN CATTO

210-2122 Yonge St. TORONTO

Ladies' and Gentlemen's

of all kinds cleaned, dyed, pressed, etc. NEW YORK H. Phone N. 5185.

THE WEATHER

Meteorological Office, 210-2122 Yonge St. For this a beautiful range of satens in big variety of colors and designs.

Manitoba—Southeast very warm.

Saskatchewan—Fair eastern portion; cooler in western portion.

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