WESTERN UNION MILKS PROFITS OF G.N.W. LINES

Evidence Before Railway Commission Appeared to Surprise Chairman Mabee.

The long delayed inquiry into the tolls of telegraph companies doing business in Canada comemnced before the Dominion Railway Commission at the city hall yesterday morning.

The affairs of the Great North Western Telegraph Co. were first taken up, and the efforts of the investigating counsel were apparently directed towards showing that the Western Union absorbed the large share of conjoint business and thus prevented dividends from being paid on the Canadian shares.

On the other hand, the suggestion was thrown out that the Western Union was really in control of the Great North Western.

Story of Amalgamation.

G. D. Perry, general manager of the G. N. W. was in the box all day. To Mr. Pitblado he reviewed the amalgamation of the Dominion Telegraph Co. and Montreal Telegraph Co., which were absorbed by the G.N.W. in 1881. The Dominion company was under a lease to the Western Union at the time. The rental of the Montreal company at first was $165,000 per year, which was later increased by $10,000. The other company was leased for $52,000 per year.

The lines of the Montreal company extended from Monckton, N.B., to Windsor, and over the northern part of New York state. The Dominion company covered almost the same territory, the lines going a little farther into New York state.

Not Dividend Payer.

The subscribed capital of the G.N.W. is $500,000 of which $125,000 is paid up. No dividends have been paid to shareholders of that company since 1887. Previous to that time, dividends had been applied to paying of stock.

In 1896 60,000 bonds of the Dominion company fell due, and were taken up by the Western Union. The G.N.W. have been paying interest to the Western Union ever since. The amount was charged to current account and appeared as part of working expenses.

1909 Was Good Year.

In 1909 the profit of the G.N.W. was $432,866. The G.N.W. and Northern Union have an arrangement to take half the total tolls on conjoint business to and from Eastern Canada where the Western Union operates, and on messages between Canada and United States..

In reply to a question by Mr. Pitblado, the commissioner was informed that the probable reason for the Western Union retaining their own lines in the Maritime provinces was the fact that it was independent of the G.N.W. in respect of that business having a connection with United States wires at Bangor, Maine.

Surplus of $757,000.

Up to 1910 the total surpluses of the company amounted to $757,266, which was subsequently reduced by the auditors by $293,863, to allow for a reduction in the value of the lines of 1-97 each year. Certain unprofitable portions of the line had been sold, and the amounts received credited to assets. While the company did not follow the instructions of the Western Union in the operations of its business, as they were heavy creditors their suggestions of Price, Waterhouse & Co. as auditors was accepted.

Mr. Markey stated that the G.N.W. had no money in its treasury from which to pay dividends.

"Yet on the audit of July, 1910, you showed a large surplus of $424,000 on a capital of $125,000, of which $50,000 is paid. I don't think you were very frank on that date?" he said.

Based on Local Rates.

Mr. Perry went on to explain that on interchange business between two companies the charge is based on the local rates of both to and from the point of connection. He understood that the Western Union had control of the G.N.W. stock, altho there was nothing to show that such was the case. He himself held 65 shares in trust.

Mr. Perry produced copy of an agreement made in 1881, which gave the Western Union virtual control of the business in Canada. In fact the company had no real competition until the advent of the C.P.R. telegraphs. In 1882 the Western Union also secured control of certain cable connections, to which the G.N.W. became a consenting party. The receipts from conjoint business in 1905 were $487,788. The companies divided this revenue equally now, but at one time it was apportioned on the basis of 48 to 52. The Western Union only operates directly in those parts of Canada not covered by the charters of the original companies, so that the ten-word rate from Montreal to Monckton would be 30 cents, of which the G.N.W. would get 25 cents to a town outside of Monckton, and the Western Union 5 cents for the remainder of the distance.

Paid Fat Dividend in 1885.

In 1885 the G.N.W. paid a 50 per cent. dividend, according to the statements produced by Mr. Perry, but since that time the tolls have been divided equally with the Western Union and there have been no dividends.

Chairman Mabee here interposed the remark that the company had a mighty easy going lot of shareholders.

A lot of evidence was introduced regarding the methods employed in handing over business destined to a point beyond the company's lines, to another company.

There is an agreement in existence concerning lines beyond the Ontario & Quebec division of the company, such as Canada Atlantic division and other points along the Grand Trunk. This agreement is with the Grand Trunk Pacific Telegraph Co. and will be produced.

A mass of detailed information was gone into and the inquiry will be revived at 10 o'clock this morning.

APPOINTMENT NOT MADE.

Sir James Whitney yesterday afternoon emphatically contradicted the report that an appointment had been made to the position of assistant king's printer in succession to Mr. Grant, who recently went to the printing bureau at Ottawa.

"No assistant king's printer has been appointed," said Sir James Whitney to The World. "The story is entirely without foundation.

SPRING FLOODS INVADE THE PORCUPINE CAMP

Bridges Are Down and Roads Almost Impassable—Waiting For Navigation.

PORCUPINE CITY, April 24.—(From Our Man Up North.)—Spring thawing has set in with a vengeance and the snow is rapidly disappearing, so that the woods are practically free from their winter covering. The three Porcupine towns are practically cut off from the mining sections with the flooding of the roads, while the bridges are out in several places.

Wilson Creek, which empties into Porcupine Lake at the south end is creating havoc at all the road crossings. The bridge at the foot of the Foley-O'Brien hill has gone, and while men are able to pick a way over fallen trees thru the woods, teams are stalled. The water here is six feet deep and it will be several days before the bridge is put back in place. The corduroy roadway will not be laid down here till after the frosts are out of the ground, as only prison labor is in use and the work goes very slowly.

Two miles out from the Foley-O'Brien hill, near the road to the Rea mines, the beaver meadows are also flooded, and here the prisoners at work on the road are ferrying passengers across the small creek that runs thru the meadows, at ten cents a head. No road has been cut around the flooded portions and travel is extremely difficult. No teams can pass. The Pearl Lake Mining Co. and Bewick-Moreing have teams stalled at South Porcupine since Saturday, and it is doubtful if the horses can be gotten over the roads at all till the corduroy is finished.

While Wilson Creek and its tributaries to the west, are flooding the Pearl Lake road almost to an impassable degree, the same body of water on the Whitney and Tisdale line between South Porcupine and the Lakeview townsite, has carried away the bridge, thus cutting off traffic into the South Whitney and Shaw section. Only a small pole for foot passengers span the river here.

The road from Kelso to Porcupine is getting its share of the spring floods, and as the bottom has not entirely given out, teams continue to come into the camp. The eight miles from Hill's to Golden City, principally muck, are almost impassable. A new corduroy will have to be laid over the entire distance to make traveling at all convenient. Those who come in now are walking the ties to the Frederickhouse and then plunge thru the mud on the grade.

Altho there were six feet of snow over the townsites, the drainage from the water in Porcupine City and Golden City has been rapid and in many places the Porcupine Townsites at the north end of the lake are now dry.

The ice still remains in Porcupine Lake, and it will be two weeks more before the lake is cleared of the winter frosts. Night Hawk Lake is covered with ice, and there can be no boating as a means of transportation until the massive bodies move into the rivers and melt.

From every indication now there will be fully three weeks of inactivity till the waters have receded and boats are able to navigate the channels.

Chas. Fox.

TURKEY IN DREAD OF HER NEIGHBORS.

There is something like a panic in Turkey over the establishment of cordial relations between Austria-Hungary and Bulgaria. Despite all assurances the committee of union and progress is fearful of treachery. The joint action of the two allies in 1908 is not so soon forgotten and anxious ministers see danger signals in the immediate present.

Despite the declarations of newspapers in Vienna and Budapest that there has been no strengthening of garrisons in Bosnia and Herzegovina, the Turks are convinced that important reinforcements have been sent there. The general commanding the Turkish division of Mitrovitza insists that this is the case. There has been no great movement, he says, but troops have been sent in little by little. The suggestion of stealth naturally enhances the alarm at the Porte.

Then the Sobranje took the significant action recently of authorizing Czar Ferdinand to contract offensive and defensive alliances without any obligation of publicity beyond notifying the president of the council of ministers and minister of foreign affairs. This power was conferred by a secret vote, but the news soon leaked out, causing great dismay in Constantinople and Salonica, where there is a conviction that Austria-Hungary and Roumania are the governments with which the secret treaties are to be made.

But what is the object of such treaties? To this question the Young Turkish leaders can see but one answer: they are to free the hands of Bulgaria so that she may pick a quarrel and at once hurl all her well-trained soldiers into Macedonia and Thrace.

To meet this possibility the Turkish Government has taken energetic military measures. Two hundred men of the Iktiat, or substitue reserve, have been called to join each battalion of the army in European Turkey. The battalions are thus brought up to a strength of 550 men each. In addition 49 battalions of Redifs, or reservists of the first line, have been called to the colors to occupy the cantonments vacated by 46 battalions of regulars sent to Arabia to suppress the revolt in Yemen. This is not all; the mobilization of five divisions of reservists, consisting of nine battalions each, has been ordered at Angora, Yuzzat, Cesarea, Sivas and Castamonni.

Even with these precautions the committee of union and progress is said to feel nervous. It is deeply impressed by the heavy votes for military purposes accorded to the Austro-Hungarian administration at the recent meeting of the delegations.

Saturday Buffalo Excursion Canceled.

The $2.10 excursion to Buffalo and return by the C. P. R. 1.15 p.m. train Saturday, April 29, has been cancelled. There will be no special excursion rate in effect by C. P. R. Saturday to Buffalo.

Lake Captain Dead.

KINGSTON, April 27.—(Special.)—Capt. William Ada, aged 78, one of the oldest great lake captains, is dead. He had been in the servce of the R. & O. Co. 35 years.

WILL PORCUPINE SURPASS THE RAND OF SOUTH AFRICA?

The Output of Gold From the Rand Last Year Was Valued at $155,736,000—And That's Going Some.

The following items were published in our DAILY PORCUPINE BULLETIN during the past week:

APRIL 24.—The opinion has been expressed by numerous writers on the Porcupine Camp, that the district would probably surpass the Rand of South Africa in the production of gold. Mr. William E. Soule, Financial Editor of THE BOSTON POST, in a signed article in his paper of April 23rd, says:

"The world's greatest authorities in gold mining—Wigmore of South Africa, Fleming of Mexico, Smith of Nevada, Trerise of Montana, Webb, Frechville and McArthur of England, Miller and Burrows of Canada, and Simon of France—are a unit in saying that this great region of the Ontario northland, with its rich showings of ore covering so great an area, is better than has ever been seen before; that Porcupine is to be a very large producer of gold, probably the largest in the history of the world, and LARGER EVEN THAN THE FAMOUS RAND MINES OF SOUTH AFRICA."

In order that our readers may realize the full meaning of the last sentence above quoted, we would say the gold output of the Rand of South Africa last year amounted to 7,533,000 ounces, valued at $155,736,000. When the Porcupine district gets to a point where it is producing gold at the rate of over $13,000,000 per month, there will be some sad lamentations among the people who had the opportunity and failed to buy Porcupine stocks at present levels. Porcupine may not surpass or equal the Rand, but there are good judges who claim it will. Under the circumstances it seems to us that an investment in the good Porcupine stocks at present prices presents a most unusual speculative opportunity.

APRIL 18.—It has been our contention all along that the slump was only temporary. Our reasons for this are many. Primarily, because of the fundamental values in the Porcupine Camp. Evidences are multiplying every day that Porcupine is one of the greatest gold deposits ever found in the world, and there are competent judges who maintain that it will surpass even the Rand of South Africa. Its known area of mineralization is far greater than any other camp ever found on the American Continent. The veins are numerous, and free gold has been found in an area covering twenty miles square. The greatest mining men in the world have made investments in the camp running into millions of dollars in the aggregate, and there are said to be now between 7000 and 10,000 people in the district. The Government Railroad, which it is promised will be completed by the 1st of July, will enable people to reach the camp with ease. After that the news will spread by word of mouth, and the wonders of the camp will become more generally known, and a consequent buying of the stocks will follow. For these reasons we think that the present market offers exceptional opportunities for profitable investment.

APRIL 20.—The public will probably not commence buying Porcupines in great volume until the prices have advanced to higher levels. That's the usual way with the general public. More Goldfields Consolidated was bought by the people at between $8 and $10 than between $4 and $8. More Nipissing changed hands between $15 and $30 than between its initial price of $4 and $10. The fellow who buys at the high prices is generally the one to suffer loss. There are plenty of instances to prove this.

APRIL 21.—The market is well in hand, but there seems to be timidity in buying. The orders are for small lots. Any considerable number of buying orders of thousand-share lots, which are likely to come into the market when a full realization of the importance of the Porcupine district has filtered through the public mind, would send prices upward with leaps and bounds. Porcupine has ten times the mineralized area of Goldfield, with larger veins and richer surface showings on the average. It has ten times the mineralized area of Cobalt. It has the most solid, substantial and wealthiest mining interests in the world developing it, while Goldfield was exploited by wildcatters and gamblers. There are no gambling houses nor saloons in Porcupine. Canadian law does not allow them in any mining camp.

THE BEST PORCUPINE INVESTMENT

When a person has become convinced that Porcupine offers exceptional opportunities for speculation, the question naturally arises:

WHAT STOCK SHALL I BUY?

There are several good ones, but we suggest that your first choice be

PORCUPINE TOWNSITE MINES, LIMITED

for the following reasons:

1st.—BECAUSE the location of the property is most favorable, being east and south of the Hughes properties, where the most spectacular gold showings of the camp have been found, and adjoins the City of Porcupine on the north.

2nd.—BECAUSE the management is first class. The officers are men well and favorably known in Toronto and New York. Mr. C. J. Musson of the Musson Book Company of Toronto is President; Mr. Charles T. Lunt, Chief Accountant of the United States Sub-treasury, New York, is Vice-President. The other directors are A. J. Gillies of the well-known family of that name in Toronto; Hon. Amos H. Stephens, Chief Counsel of the Travellers' Insurance Company, New York, and George Gouinlock of the Toronto Hardware Company.

3rd.—BECAUSE it is organized under the strict laws of Ontario.

4th.—BECAUSE its capital is comparatively low, $1,000,000, divided into 1,000,000 shares of the par value of $1.00 each.

5th.—BECAUSE one-half of the authorized capital is in the treasury—500,000 shares.

6th.—BECAUSE application will be made to list the stock in a few days, and it may reasonably be expected to sell at higher prices.

7th.—BECAUSE you can get into this company on practically the same basis as the underwriters (so-called) have in other popular Porcupine stocks.

8th.—BECAUSE—well, there are lots of things market-wise that had better not be tipped off in the public press.

SEND US YOUR ORDERS FOR PORCUPINE TOWNSITE AT 35c A SHARE AND DO IT NOW.

Up-to-date map 17 x 22 of Porcupine free. Mail or telegraph orders to nearest offices. Prospectus and Engineer's Report sent on request.

ROGERS-NORTON COMPANY

COMMISSION STOCK BROKERS

20 King St. East, Toronto—43 Exchange Pl., New York

DONALD C. MACGREGOR, Manager Toronto Office

Statutory Declaration—In Accordance with Section 99 of the Ontario Companies Act.

The original incorporation of the Company are:—Robert John Driver, Student-at-Law, Toronto; Sam Wissler Field, Barrister-at-Law, Toronto; Burnett Webster, Office Clerk, Toronto, and Eva Lena Bradley and Bessie Avery, Stenographers, all of the City of Toronto in the County of York and Province of Ontario, and each subscribed for five shares of stock.

The By-Laws make no provision for remuneration to Directors, but provide that the Directors may, from time to time, fix the salary, if any, of the President and Managing Director.

No special provision has been made in the By-Laws concerning the allotment of shares or payment thereof.

There have been issued or agreed to be issued as Fully Paid Up and Non-Assessable, 999,975 shares of the Capital Stock of the Company in consideration for and payment of the said properties, that is to say: Two mining claims of 40 acres each, comprising the north-west quarter and southwest quarter of the north half of lot 9, Concession IV, in the Township of Whitney, in the District of Porcupine and Province of Ontario, and of these shares 500,000 have been absolutely conveyed in trust to be used for Treasury purposes.

The Vendor of the said property purchased by the Company is Joseph Montgomery, as Trustee for James Curry, of Toronto, and J. A. Jacobs, of Montreal.

There was nothing paid or payable as Purchase money in Cash, and there was nothing paid or payable by the Company for good will.

There was no payment made or to be made, as commission for subscribing or agreeing to subscribe, or procuring or agreeing to procure subscriptions for shares of the Company or for underwriting.

The preliminary expenses of incorporation, organization, etc., are estimated at $1,000.

Nothing has been paid, nor is it intended that anything shall be paid in Cash or in shares to any promoter of this Company.

The Contract under which the Company purchased the said properties was made between the said Joseph Montgomery as trustee for James Curry and J. A. Jacobs, as Vendor, of the First Part, and the Company, as Purchaser of the Second Part, and bears date the 30th day of March, 1911.

Under and by virtue of a Declaration of Trust made in favor of the Company by the said Joseph Montgomery, as Trustee for the said James Curry and J. A. Jacobs, and bearing date of the 30th day of March, 1911, the Company is entitled to the net proceeds of the sale of 500,000 shares of the said Capital Stock issued to the said Vendor.

The said Contract and Declaration of Trust may be inspected at the office of the Company, 24 King Street West, Toronto.

The Auditors of the Company are Wilton C. Eddis & Sons, Toronto.

Dated at Toronto, this 3d day of April, 1911.

C. J. MUSSON, President.
CHARLES T. LUNT, Vice-President.
A. J. GILLIES,
AMOS H. STEPHENS,
GEORGE GOUINLOCK, Directors.

ESTATE NOTICES.

NOTICE TO CREDITORS.—IN THE Matter of the Estate of Thomas Bedley, Late of the City of Toronto, in the County of York, Gentleman, Deceased.

Notice is hereby given pursuant to Section 38, of Chapter 129, R.S.O., 1897, that all persons having claims or demands against the estate of the said Thomas Bedley, deceased, who died on or about the 20th day of March, 1911, are required to send by post prepaid, or deliver to G. M. Gardner, Solicitor for William Bedley, executor of the last will and testament of the said Thomas Bedley, deceased, on or before the 10th day of June, 1911, their Christian and surnames and addresses, with full particulars in writing of their claims and statement of their accounts and the nature of the securities (if any) held by them, duly verified by statutory declaration.

And take notice that after the said 10th day of June, 1911, the said executor will proceed to distribute the assets of the said deceased among the parties entitled thereto, having regard only to the claims of which he shall then have notice and the said executor will not be liable for said assets or any part thereof to any person or persons of whose claim notice shall not have been received by him or his solicitor at the time of such distribution.

Dated April 27th, 1911.

G. M. GARDNER,
108 Manning Chambers, 72 Queen-street West, Toronto, Solicitor for Executor. 558

NOTICE TO CREDITORS.—IN THE Matter of the Estate of Bridget Wallace, Late of the City of Toronto, in the County of York, Spinster, Deceased.

Notice is hereby given pursuant to R. S.O., 1897, Chapter 129, Section 38, and amending acts, that all persons having claims against the estate of the said Bridget Wallace, who died on or about the 15th day of March, 1911, are required to send by post, prepaid, or deliver to the undersigned solicitor for Widmer Hawke, and William C. Martin, both of the said City of Toronto, the executors of the will of the said Bridget Wallace, deceased, at his address, hereinunder written, on or before the 26th day of May, 1911, their names, addresses and descriptions, and a full statement of the particulars of their claims, and of the nature of the security, if any, held by them, duly certified, and that after the last mentioned date the said executors will proceed to distribute the assets of the said deceased among the parties entitled thereto, having regard only to claims of which they shall then have notice, and that they will not be liable for the assets so distributed, or any part thereof, to any person or persons of whose claims they shall not then have notice.

WIDMER HAWKE,
WILLIAM C. MARTIN,
Executors, Toronto.

W. G. MACKAY,
16 King-street West, Toronto, Solicitor for the said Executors.
Dated this 21st day of April, 1911.

SYNOPSIS OF CANADIAN NORTH-WEST LAND REGULATIONS.

ANY person who is the sole head of a family, or any male over 18 years old, may homestead a quarter section of available Dominion land in Manitoba, Saskatchewan or Alberta. The applicant must appear in person at the Dominion Lands Agency or Sub-Agency for the district. Entry by proxy may be made at any agency, on certain conditions, by father, mother, son, daughter, brother or sister of intending homesteader.

Duties.—Six months' residence upon and cultivation of the land in each of three years. A homesteader may live within nine miles of his homestead on a farm of at least 80 acres solely owned and occupied by him or by his father, mother, son, daughter, brother or sister.

In certain districts a homesteader in good standing may pre-empt a quarter-section alongside his homestead. Price $3.00 per acre. Duties.—Must reside upon the homestead or pre-emption six months in each of six years from date of homestead entry (including the time required to earn homestead patent) and cultivate fifty acres extra.

A homesteader who has exhausted his homestead right and cannot obtain a pre-emption may enter for a purchased homestead in certain districts. Price $3.00 per acre. Duties.—Must reside six months in each of three years, cultivate fifty acres and erect a house worth $300.00.

W. W. CORY,
Deputy of the Minister of the Interior.

N. B.—Unauthorized publication of this advertisement will not be paid for. edtf

Tenders for Coal and Wood

Sealed tenders, endorsed "Tender for Coal and Wood" addressed to the undersigned will be received at this department up to noon on **Monday, the 8th day of May, 1911,** for the supply of the coal and wood required at Government House, Parliament Buildings, Osgoode Hall, Normal and Model Schools, Toronto, and for the Normal Schools at Ottawa, London, Peterboro, Hamilton, Stratford and North Bay, the Institution for the Deaf and Dumb, Belleville, and Institution for the Blind, Brantford, for the 12 months ending 30th June, 1912.

Forms of tender with conditions of contract with quantities of Coal and Wood required will be supplied on application to the department.

The department will not be bound to accept the lowest or any tender.

By order

H. E. McNAUGHTEN,
Secretary Department of Public Works.

Department of Public Works, Ontario, Toronto, 24th April, 1911.

Newspapers publishing this advertisement without authority will not be paid for it. Ap26-28May1

TAKE NOTICE that The London & Lancashire Plate Glass & Indemnity Company of Canada has filed with the Minister of Finance at Ottawa a list of all policy-holders whose policies have not been transferred, reinsured or surrendered. And further take notice that the said The London & Lancashire Plate Glass & Indemnity Company of Canada has applied to the Minister of Finance for the release of its securities on the twenty-ninth day of May, 1911, and all policyholders opposing such release are required to file their opposition with the Minister of Finance on or before the said twenty-ninth day of May, 1911.

Dated at Toronto this 22nd day of February, 1911.

ALEXANDER MACLEAN,
Secretary, The London & Lancashire Plate Glass & Indemnity Company of Canada. ed

A Big Contract.

WINNIPEG, April 27.—The $1,500,000 contract at Transcona for the completion of coach shops and buildings, has been awarded to Haney, Quinlan & Robertson, the contracting firm, which is just finishing the erection of the shops at Transcona for the commission and the Grand Trunk Pacific.