

### The Toronto World

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FRIDAY MORNING, AUGUST 30.

#### Tending Towards a Decision.

Conservative military critics are once more entirely at fault regarding the strength of the allies and the ability of the Germans to withstand their attacks. Mr. Hinzenburg, who is one of the foremost in giving Hinzenburg the benefit of the doubt, stated in his article yesterday that the question was whether the German would halt at the line of Bertinourt-Peronne-Noyon or whether they would go straight back to the Hindenburg line. "In any event," he asserted, "he is going back to the Peronne-Noyon line, which will be his next resting place."

Before these views could get into print Noyon had fallen, and yesterday evening Despaume was in the hands of the British. Every day that passes makes a military decision more assured. The Germans may not be routed, but they are certainly out of hand, their units are lacking in cohesion, many of them have lost all morale, and as a whole fighting force their armies are no longer reliable.

The retreat to the Hindenburg line comes too late. The Hindenburg line is already breached. Not only this, but yesterday evening's despatches stated that the main body of the British troops was only from 1000 to 2000 yards distant from the Drocourt-Queant line. Behind this a stand might be made at the Canal du Nord, but behind this there is nothing in the way of prepared defences.

The situation grows blacker and blacker for the Kaiser. Combes was outflanked and encircled. The British were on the outskirts of Maurepas. Bullecourt was less than a mile from the British line. In the southern battlefield the French were pressing hard. Juvisy had fallen. Practically all lines of retreat were under allied fire. Another of Foch's disconcerting blows may totally demoralize the German forces and lead to a debacle. This is the plain sense of the situation, and while it is well to recognize that accidents may occur and the situation possibly change, yet nothing but the most abominable blundering can save the Germans as the situation stands.

It is feared that Foch may not have sufficient reserves to follow up a routed German army. He has 1,750,000 United States troops in France, and there are enough of them in fit and proper shape to be thrown in where he may need them, or to chase the Kaiser across the Rhine if he needs be.

There are still big strategic possibilities in the western front, and neither Foch nor Wilson will overlook them. There are no keener men in Europe than these two generals, and we may be sure the German command that Foch and Wilson are going to do next, and how to escape the blow, than about providing a Christmas dinner in Paris for the Kaiser.

Events of the most sensational character may develop at any moment.

**Editors' Camouflage.**  
Now that the Canadian editors have returned, or those at least of the profession who were deemed worthy to join the expedition of wisdom, it may be permitted to reveal the great secret that lay behind their visit to France. Had it been told at first, these brave and disinterested men might have been made the special object of the enemy's attack, with disastrous results to those concerned. The secret was well kept, however, and it probably has not yet occurred to any of the unthinkings and the critics in Canada that the whole tide of war turned as soon as these sagacious gentlemen got within earshot of General Foch and told him what to do.

Since then the allied arms have had an unbroken series of triumphs. It is easy to see why. One doubts if it were wise to bring them home at such a critical stage. However, the nation will rest at ease knowing that their patriotic spirit will place them at Foch's service any moment he wants them, and that they will cross the ocean willingly whenever they may be called upon.

**A Sign of Public Ownership.**  
Common sense has at last prevailed in the United States in the matter of railway tickets. Mileage books good for 1000 miles at \$30, are now on sale at all ticket offices. They are transferable and good any time, like street car tickets, and only Providence knows why the railway companies have not adopted the plan ages ago. These \$30 books are ready and \$15 books good for 500 miles will be ready in a couple of weeks. The tickets are good on any road, and are perhaps the completest symbol of public ownership that could be imagined. The present method of selling spe-

cial tickets and all the worry and time and expense that it entails is a survival of the old coach days when the number of seats was strictly limited, and it was necessary if a journey was to be made to engage a seat ahead. Such a ticket of course had to be used on the coach for which it was issued. There is no such limitation of accommodation on railway trains and the perpetuation of the old ticket system of the coaching days is as strong a testimony to the innate conservatism of corporations as could be found.

#### German Lies in Russia.

A denial of the story that 300 Czecho-Slovak prisoners had been changed by the Russian Red Guards is sent out by Czecho-Slovak authorities with the explanation that it was a German falsehood meant to have a political effect. It was hoped to intimidate the Czecho-Slovaks at home who have been organizing in Austria and Hungary, and who are much elated by the recognition of their nationality by Britain.

Slender of the Czecho-Slovak troops was included in the calumny, as these troops have committed no outrages such as the Germans gave as the reason for the alleged hangings, but are a well-disciplined, well-commanded and orderly body. Wherever Russians were made prisoners they were set free on giving up their arms and pledging themselves not to join the Red Guards. German and Magyar agents posing as internationalists were punished when taken. It is the German element among the Russians that is held responsible for any atrocities or brutalities that are suffered.

#### Lusitania Damages Case.

Germany has been circulating the story once more, on the strength of a report in a Swedish newspaper, probably inserted by the Germans themselves, that the Lusitania was armed and carried explosives.

This question has finally been set at rest by the trial in the Federal District Court of New York of suits for damages brought by various parties. Judge Julius M. Mayer declares the Cunard Steamship Co. free from liability for the loss of life and property by the destruction of the vessel, which he characterized as a warship, and an act of piracy on the part of the German Government. It was an act of inexpressible cowardice, he also stated.

The German claim rests on the admitted fact that the vessel carried some eighteen fuse cases and 125 empty shells, consisting merely of empty shells without any powder charge; 4200 cases of safety cartridges, and 189 cases of infantry equipment, such as leather fittings, pouches and the like. All these were for delivery abroad, but none of these munitions could be exploded by setting them on fire in mass or in bulk, nor by subjecting them to impact.

Judge Mayer concludes his judgment by saying that while in the law, suit there may be no recovery, "it is not to be doubted that the United States of America and her allies will remember the rights of those affected by the sinking of the Lusitania and when the time shall come, will see to it that reparation shall be made for one of the most indefensible acts of modern times."

#### Regulating the Publishers.

A partial ban on new books has been imposed by the new regulations issued in the United States by the section of pulp and paper of the war industries board. It is ordered that the publishers of trade books, copy-right reprints, toy books, juvenile and non-copyright books shall reduce the titles of such books 25 per cent of the average of the three years from July 1, 1915, to June 30, 1918. This includes novels and other popular literature. Exception is made of research books and war books published for the United States or allied governments under subsidy.

There is to be a reduction in the weight of paper used also. All coated paper for jackets and circulars is to be eliminated. No new circulars are to exceed four pages in length. Books "on sale" or "on consignment" are practically prohibited.

If the effect of the regulations be to cut out the poorer and "base" sort of books no harm will be done, and a reduction of 25 per cent on the three years' average may not really affect the intentions of publishers at all as there has been a reduction in the number of books published with an immense increase of the copies sold. And this is just how the publishers like it to be.

#### Tax Exempt Bonds.

Editor Montreal Gazette: In endeavoring to accurately estimate the value in dollars of the tax exempt clause in Victory bonds one is met by the necessity of knowing the income of each holder of these securities, inasmuch as the income tax is graduated and in consequence the tax exempt provision is of great importance to those of large incomes, but of no value to a married man whose income does not exceed \$2000 per annum.

However, a fairly accurate idea may be gained by noting its effect in the United States, where both tax exempt and taxable Liberty bonds have been selling on the exchange for a sufficient time to establish relative values.

The tax exempt Liberty 3 1/2 per cent bonds now sell at about 102 3/4, while the taxable 4 1/2 per cent sell at 95. Assuming the term of each of these

### THE LAST OF THE RAILWAY MAGNATES

Lord Shaughnessy is the last of the railway magnates. He had more ability and more conscience than many of the American magnates, but he belonged to their order. They were foremost in a stage of economic evolution which is happily passing away and yielding to a higher and better state of affairs. Vanderbilt, Gould, Harriman, Morgan and many others will figure picturequely in the history of this continent, but they will never again be tolerated. Sir William Mackenzie and Sir Donald Mann carried out a great project in a striking way, and they may be dealt with more leniently by the historians of the future than by their contemporaries. They are magnates who are passing off the stage. They will have no successors, because changed conditions will not permit other men to attempt what they accomplished.

Lord Shaughnessy as a railway operator could not be excelled, and he did much to make the Canadian Pacific railway a name to conjure with all round the world. He made the mistake of his career, we think, when he entered the magnate class and turned his great ability to the financial side of the C.P.R. This brought him into Wall street. This led him into the dazzling pyrotechnic speck market display of 1912, which ruined many of the C.P.R. officials and stockholders, and shook as nothing else could have done, the admirable morale of the system.

And this leads us to say that the Canadian Pacific is now about the only road closely affiliated with Wall street. The American roads have only one backer, and that is the United States Government. Their stocks no longer shoot the chutes or climb the pole, but are bought and sold for what they are reasonably worth. The Canadian Pacific is almost the only railway stock now in which men can gamble. The Grand Trunk has kept out of Wall street. The Canadian Northern raised money entirely by the sale of bonds, and its financing was, therefore, economical.

The railway magnate was once fairly worshipped by the people. The stockholders believed he was their champion, and the general public recognized in him the spokesman of hundreds of thousands of shareholders with millions and millions of dollars invested in transportation enterprises. It took a long time for either

to be 15 years, when the tax exempt bonds sell on a basis of about 8.30 per cent, while the taxable bonds sell on a basis of about 10 per cent. The difference, then, is 1.60 per cent, which must be taken as the cost of tax exemption clauses of the 3 1/2 per cent bonds.

Applying this figure to our forthcoming loan of \$500,000,000, it is seen that to make the issue tax exempt is to give away a privilege worth \$77,000,000 per year during the period of the loan.

Nor does this \$77,000,000 bonus mean that interest is being paid. It is an amount to be set off against the interest on our Victory bonds bear 1 1/2 per cent more interest than American Liberty taxable bonds and 1 1/2 per cent more than British and Australian taxables war bonds bear.

Seven millions dollars a year is a large amount to the Canadian Government, as is indicated by some recent figures as to revenue derived during the past year from war taxation.

From trust and loan companies there was collected \$287,000; from insurance companies, \$385,000; from banks, \$1,115,000; from inland revenue on railways, steamships, telegraph and cable companies, \$2,230,000; from extra postage on letters, etc., \$5,800,000.

It will be noticed that the \$77,000,000 per annum privilege does not take into consideration our previous tax exempt loans, amounting to about \$150,000,000. Those transactions are closed, and, moreover, at the time of their issue, conditions were less favorable, and more important still, we did not have the quantity of experience of other nations to act as precedent and guide.

One is not usually to be blamed for making a mistake, but wise people do not repeat mistakes. The next Victory bond issue will not include a tax exempt privilege.

E. L. McARTHUR.

Montreal, Aug. 26, 1918.

#### DEATH OF KITCHENER MAN.

Kitchener, Aug. 29.—Gideon J. Colquhoun, aged 70, and the last descendant of one of the pioneers of this municipality, died today at his home, Woodside, after a few hours' illness.

#### Canada Permanent Mortgage Corporation

TORONTO STREET . . . TORONTO

Established 1865.  
President  
W. G. GOODERHAM  
First Vice-President  
W. D. MATTHEWS  
Second Vice-President  
R. S. HUDSON

Joint General Managers  
R. S. HUDSON JOHN MASSEY  
Assistant General Manager  
GEORGE H. SMITH

Paid-up Capital . . . . . \$6,000,000.00  
Reserve Fund (earned) . . . . . 5,250,000.00  
Unappropriated Profits . . . . . 107,877.41  
Capital and Surplus . . . . . \$11,447,877.41

**DEPOSITS RECEIVED**  
in sums of one dollar and upwards, and interest allowed compounded half-yearly.

**A TRUSTEE INVESTMENT**  
The Bonds issued by this Corporation are a high-class security in which Executors and Trustees are authorized by law to invest Trust Funds. Enquire about them.

the stockholders or the public to realize that the magnate was a middleman. The public were always willing to give the bonafide stockholders a fair return on their investment, and the stockholders were always willing to deal fairly with the public. The men who made all the trouble and most of the money by creaming the profits and rigging the stock market were the directors and officials. Some magnates, like Morgan and Harriman, plundered the stockholders even more rapaciously than they did the public. Lord Shaughnessy had more conscience, but he and his associates became, after all middlemen, whose interests often antagonized the true interests of their shareholders.

Lord Shaughnessy has lived to see one-fifth of his railway taken away from him by the United States Government and the bulk of his great fleet commandeered by the British admiralty. He has lost the preferred position he once occupied thru his close connections with the great railway magnates and railway systems of the United States. What remains of the great Canadian Pacific Railway must soon pass into the national railway system of Canada. Naturally he shrinks from what may seem to him like a surrender, and naturally those closely connected with him in the administration of the road are thinking more of themselves than they are of their shareholders.

But the shareholders must see that with the passing of Lord Shaughnessy the old-time magnate disappears forever. They must save their own bacon, and they can best serve themselves by a fair bargain with the government. The old Punch and Judy show of running the stock up 20 to 30 points in a week or two will get them nowhere, for it is only the insiders who clean up on these operations. Let the shareholders seriously ask themselves what their stock is worth and what would be a fair return for them should the road be taken over by the government.

Lord Shaughnessy lingers, we will not say superfluous, upon the stage, but he is the last of the players. We have come to the epilog. The C.P.R. government box office will get round to the time to do business, or they may find the lights turned off and the house closed for the night.

### THE WIFE

By JANE PHELPS

Brian Accepts the Fact That Ruth is Working, But is Angry.

CHAPTER XXIII.

Ruth went immediately to work on the plan left with her. She became directly to the north side of the street, where she had her office. She heard La Monte when he came up to her desk.

"You're late," he said, smiling at her start of surprise. "I never thought of luncheon. And I don't know where to go. I'm not a New Yorker, you know. If I were I reckon I'd know my way about during the past year from war taxation."

Her soft southern drawl delighted La Monte. "There is a quiet, refined little place just around the corner on the side street. A sort of lunch and tea room. The food is very good. I just take my wife there when she comes down town."

So he was married. Somehow, she had thought he might be. In a way, she was glad it would be comfortable to be associated with a man whose wife occasionally called at the shop.

Ruth thanked him, and in a few moments went out to find the tea room he had mentioned. She found it just as he had said. When she had gone he picked up the plan she had been working upon. He glanced at it, then looked more closely.

"Perfect! Absolutely perfect!" he said aloud just as Mr. Mandel appeared on the next Victory bond issue will not include a tax exempt privilege.

"What is so perfect, La Monte?" he asked, reaching for the large sheet of paper on which Ruth had outlined her idea of what she thought would make the room attractive.

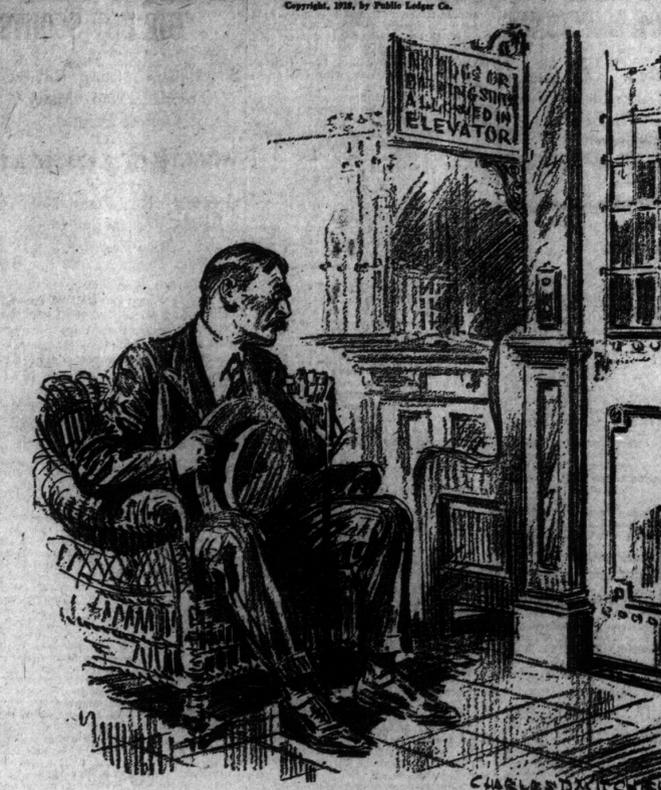
"Lead, you're right! It's a scheme of coloring I never should have thought of trying. Odd, too, for it is just the right thing for not only that particular room, but for the house. Then he passed on. Not even his confidential clerk, would he show just how wonderful he thought Ruth was; or how delighted he was at his "find," as he called her in his thoughts.

The afternoon passed happily and swiftly. Among Ruth's duties were those of talking with, and advising, customers. She saw that she would have no idle minutes; yet, when five o'clock came and she prepared to leave, she was far more rested than when she left home in the morning—the unwashed dishes, the necessary cleaning up, the dusting, the time for Brian's homecoming, on her mind.

She took a car. She would get off at the market and carry her dinner in with her, just as Mrs. Murphy, the janitress did; just as she had been doing ever since she had been married. She bought a steak. It was getting late and she must not keep Brian waiting for his dinner, the first night she was employed. He would have reason, then, to find fault.

By the time she had taken off her street clothes and pared her potatoes, it was time to set the table. There could be no dishes washed until after dinner. Well, never mind, she would wash them all up at once, or, if she could, she would get Mrs. Murphy to do them.

### FOLLIES OF THE PASSING SHOW—By Mitchell



HAVE YOU EVER NOTICED THE MAN WHO SPENDS HIS VACATION WAITING FOR WIFELY CHANGES OF WARDROBS

of a crab this morning, wasn't I, dear, to go off the way I did? But you had me worried for fair."

"What do you mean, Brian?" Ruth had been putting on the dinner and had not quite understood all he had been saying.

"Oh, that fussy stuff about your working! As I said, you had me pretty well groused."

"But I AM working, Brian," as she pointed his tea.

"You are?"

"Yes, I am working at Mandel's, as I told you. I have been there all day. Got home about half-past five. And I am so happy, Brian! It is the most wonderful place; the most exquisite stuffs to handle in place of soiled dishes and scrubbing brushes. You must come down and see me there. Mr. La Monte (he's the head clerk) says his wife often comes."

She stepped for breath, and for the first time during her long, excited speech, looked at her husband.

Brian had dropped his fork, and was staring at her. Incredulously, un-

belief and anger striving for supremacy in his face.

"Why, Brian, what's the matter?" her heart sinking as she noted his expression.

"Matter enough! You mean that you really went to work today after all I said? You knew I disapproved."

"Yes, Brian, I took the position, and have worked all day. Her joy evaporated. "If you realized how happy it has made me, dear, you wouldn't object."

"It serves me right for marrying a girl who had been pampered and allowed her own way. Please talk of something else. I don't want to hear another word about it until you come to your senses and tell me you are leaving."

"I will remember, Brian," was all Ruth said, but tears filled his eyes and overlaid down over her cheeks.

Tomorrow—At the End of a Month Ruth's Salary is Doubled.

Be sure to see the Electric Fountain on the Midway.

**A Line of Cheer Each Day of the Year**  
By John Kendrick Bangs.

**IMPERISHABLE.**  
I've noticed, 'mid the clouds of hate Thru which the world hath run of late That flowers bloom, and blossoms blow, And singing birds wing to and fro, And skies are blue, and stars are bright, And golden is the morning light, And Youth and Love remain as true As in the days when they were new, And 'en in pain men find a joy That hate itself cannot destroy.

**GRANT FOR NAVY LEAGUE.**  
The board of control was asked yesterday for a \$100,000 grant for the sailors' fund in aid of dependents of men in the merchant marine. A special meeting of council has been called for this morning to consider it.

**AT THE EXHIBITION SIX BOOTHS**

You need not go thirsty while at the Exhibition. Visit any one of the six booths of the O'Keefe Brewery Company and sample their famous beverages, brewed to meet the provision of the Ontario Temperance Act.

**O'Keefe's IMPERIAL BEERS LAGER ALE STOUT**

These brews are delicious and invigorating, and will add zest and enjoyment to your day at the fair.

**GINGER ALE**

Should you prefer carbonated beverages, you will find O'Keefe's Ginger Ale and many other flavors pleasing thirst quenchers.

Orders can as well be left at the booths for delivery to your home, whether in Toronto or at an outside point.

**Look for the O'Keefe Signs**

**EXHIBITION BOOTHS:**  
Near south entrance to Dairy Building. In Manufacturers' Building, near south entrance.  
Near eastern entrance to Process Building. Three booths in rear of Grand Stand.

**THE O'KEEFE BREWERY CO., Limited, Toronto**

Canada Food Board License Number: L-13-102.

**Ladies' Wool Spencers**  
We are showing the latest style of wool spencers. See our range of colors and styles. Each wanted old \$15.00 each.

**Ladies' Waists**  
We show a choice line of silk crepe waists. Design newest features. Shown in good material and moderate.

**Automobile Road**  
We invite exhibit our fine line of automobiles. Show in good car and family choice of price.

**John Cat**  
ROYAL AIR REJECTS  
Harold L. Bell Money, Rather

**Harold L. Bell**  
was ordered to be enlisted in the Royal Air Force. He had been ordered to be enlisted in the Royal Air Force. He had been ordered to be enlisted in the Royal Air Force.

**Adjutant-General**  
The Adjutant-General has been ordered to be enlisted in the Royal Air Force. He had been ordered to be enlisted in the Royal Air Force.

**Reference your**  
Reference your attention to the fact that the Royal Air Force is now recruiting men for the purpose of the O'Keefe Brewery Company.

**F. H. Bell**  
For officer in the Royal Air Force. He had been ordered to be enlisted in the Royal Air Force.

**DO NOT**  
DO NOT BUY ANY OTHER BRAND OF BOTTLED BEER.