

WONDERFUL FIGURING OF MESSRS. GABEY AND STORER GLARING ERRORS EXPOSED

Admit It Would Cost Sixteen Cents a Ton to Carry Coal and
Yet Estimate a Profit of \$60,000 at That Rate
—The Experts Are in a Corner.

Appended are extracts from the Gabey-Storer report, giving two separate estimates of the annual expenditure and receipts of an electrified London and Port Stanley Railway—the first with coal traffic, the second without it:

Estimate No. 1.
Operation and maintenance of road \$130,000
Interest and sinking fund 56,106
Rental to city of London 20,000

Revenue from operation \$206,106

Or excess earnings over operating expense \$56,394

Estimate No. 2.
This estimate covers the same equipment as used in Estimate No. 1, but the earnings from the haul of coal and steel have been omitted:
Operation and maintenance of road \$130,000
Interest and sinking fund 56,106
Rental to city of London 20,000

Total operating expenses, \$206,106
Earnings from passenger and freight other than coal 201,500

Giving an excess operating expenditure over earnings of \$4,606

It will be noticed that with the coal traffic the estimated profit is \$55,394, and without it there is a deficit of \$4,606. It will be noticed also that the operating expenses are \$130,000 with or without coal, so that the receipts from coal are calculated as pure profit.

The Electricians Cornered.
At the board of trade committee meeting, Mr. George Gibson addressed the board on Messrs. Gabey and Storer, and the replies utterly discredited this feature.

"The city will receive 16 cents a ton for hauling coal," said Sir George Gibson. "What will it cost to handle the coal?"

"About 16 cents," answered Mr. Storer.

"Well, here you are estimating the receipts from coal at \$60,000," said Sir George. "That means that it will cost you almost that amount to handle it, say \$55,000 for that matter. I look in the table showing the cost of operating the line and find it estimated at \$130,000. Now I go further into your report, and see that without hauling a ton of coal, the operating expenses are still \$130,000. How do you make that out? That is peculiar financing, to say the least. You cut off the coal which cost you \$50,000 or \$60,000 to handle, and your operating expenses are still \$130,000. That is a monstrous thing to say. I have always contended that we do not know the first thing about this proposition."

Mr. Storer made a feeble effort to explain the queer report, and Mr. Gibson rushed to his rescue, saying that it was necessary to keep the motormen, the locomotives, etc. to handle the business. The operating expenses were about the same in each case.

"Glaring Errors."
"Why cannot you answer my question?" insisted Sir George Gibson. "You have gone all around it," said Sir George. "You have not answered my question."

"We will make a slight profit handling coal," continued Mr. Gabey.

"Where are the figures for that?" asked Sir George.

"We have not them with us," declared Mr. Gabey.

"How can you explain to me that the operating expenses are the same, whether or not coal is handled, when it costs about \$50,000 or \$60,000 to handle it?" persisted Sir George. "This is absurd. I did not want to enter into a controversy over this question, but this clearly shows that I have been well informed that the report is filled with glaring errors."

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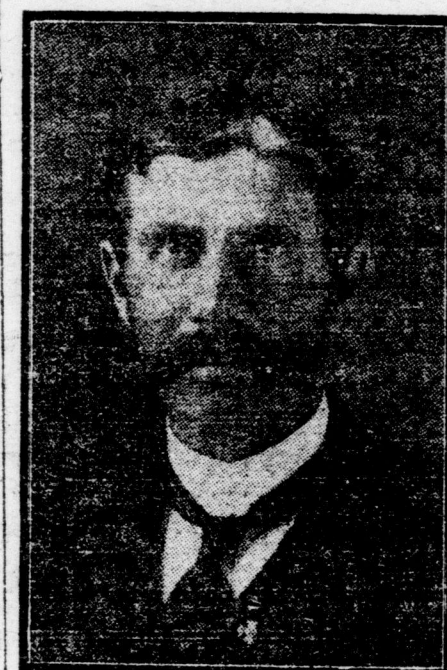
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Mr. Rowell's Tax-Reform Tour

Toronto, Jan. 14.—The itinerary of Mr. Rowell's tax reform tour is as follows:
Jan. 17—Princeton, North and South Oxford. Subject, "Tax Reform and the Farmers."
Jan. 18—Bright, North Oxford. "Tax Reform and the Settler."
Jan. 20—Toronto. Rowell Liberal Club. "Tax Reform and the Housing Problem."
Jan. 23—Berlin. "Tax Reform and the Manufacturers and Workmen."
One other meeting will be held in the eastern part of the province, to be announced in a few days. Mr. Rowell will be accompanied at these meetings by several of his colleagues.
While tax reform will be the chief issue discussed, Mr. Rowell will no doubt refer to other important Provincial issues.

INFLUENTIAL DEPUTATION WILL SEEK A GRANT FOR THE FAIR

Delegates Will Leave for Ottawa on Wednesday Evening and
Will Meet Hon. Martin Burrell, Minister of Agriculture,
on Thursday to Urge Claims of Western.



MR. A. M. HUNT.

It is expected that at least fifty delegates will appear before Hon. Martin Burrell, minister of agriculture, at Ottawa on Thursday to urge the claims of the Western Fair for a substantial annual grant to the exhibition. Among the number will be several members of parliament from Western Ontario, together with the leading stockmen of the province.

Secretary A. M. Hunt is in charge of the arrangements, and has secured the consent of more than thirty delegates from London. They will meet tonight in the Western Fair offices to discuss their plans, and will leave Wednesday evening at 5 o'clock on the C. P. R. for the capital city. At Toronto, according to present information, involve an expenditure of \$240,000,000, and will include five battleships, six light-armored cruisers, twenty destroyers, a number of submarines, and an addition to the personnel of 5,000 men, making a total of 142,000 officers and men.

BRITAIN'S NAVY BUILDING DEPENDS ON THE AUSTRIANS

Expenditure for This Year May
Involve the Sum of
\$240,000,000.

London, Jan. 14.—According to the Daily Mail, the work of framing the British navy estimates for the coming year is nearly completed. The one point remaining for decision, i. e., whether five or six battleships shall be laid down, depends upon the Austrian naval program. If the admiralty decides to wait before taking action till the Austrian ships are laid down, it may be expected to be five battleships this year. The naval program will show that the weight about 1,800 pounds.

FIRST INSURANCE BABY A WAS NAMED GEORGIAN

First Mother to Earn Maternity
Benefit Pays Compliment
to Lloyd George.

[Canadian Press.]
London, Jan. 14.—For several days many babies born in England will bring their parents all sorts of valuable prizes in addition to the maternity benefits of the new national insurance act which took effect yesterday. The idea has so caught the public that many wealthy people are giving silver cups, porringers, spoons and medals to babies born in various districts under the new act.

The first mother to become entitled to the maternity benefit of 20s was Mrs. Amy Gooding, the wife of a Paddington painter, who gave birth to a girl one minute past midnight. She was christened Georgiana, as a compliment to Chancellor Lloyd George. Another insurance baby was christened Lloyd George Churchill.

JAMES JONES DIED SUDDENLY IN WEST

Resided in London Before Going West
to Portage Plains.

[Special to The Advertiser.]
Winnipeg, Jan. 14.—James Jones, a highly-respected pioneer of the Salem district, Portage Plains, died suddenly at his home yesterday. The end was quite unexpected, as Mr. Jones had enjoyed good health up to a couple of days ago. Deceased was 72 years of age, and resided near London, Ont., for a number of years prior to buying a farm in Salem district, where he successfully farmed for 19 years. He survived by his wife, one son and six daughters.

KNOX REPLIES TO THE BRITISH NOTE

Says Sir Edward Grey's Con-
tentions in Regard to Canal
Toll Are Wrong.

FURTHER NEGOTIATIONS

Expected That Great Britain's Reply
Will Be a Rejection of
Argument.

[Canadian Press.]
New York, Jan. 14.—A dispatch from Washington to the New York World says: Secretary of State Knox will reply to Great Britain on the canal toll question in a few days.

The Secretary of State's argument in rebuttal—for that is what he has made it—to the note of protest made by Sir Edward Grey, England's minister for foreign affairs, against the granting of free passage through the Panama Canal to American ships engaged in coastwise trade, has been completed and is now being edited by Attorney-General Wickersham and Secretary of War Stimson. When the other lawyer members of the cabinet have passed on the legal phraseology the matter will be laid before the cabinet. It is expected the cabinet will discuss the answer tomorrow or on Friday's session.

Knox's Argument.
On Dec. 9, Secretary Knox received Britain's protest against what that country termed discrimination in violation of the Hay-Pauncefote treaty, commonly known as the canal treaty. Throughout his reply to Sir Edward Grey, Secretary of State Knox has confined himself to an argument that under the Hay-Pauncefote treaty, the American Government has the right to exclude from the payment of tolls any of its ships which do not compete with those of Great Britain.

Secretary Knox follows out closely the argument used by President Taft in his memorandum when he signed the Panama Canal bill, around which the protest of England is built. He holds, as did the President, that article three of the Hay-Pauncefote treaty adopted by the United States for a specific purpose, i. e., as the basis of the neutralization of the canal. Secretary Knox's interpretation of the words: "The canal shall be free and open to the vessels of commerce and of war of all nations observing these rules, on terms of entire neutrality, so that there shall be no discrimination against any such nation, or its citizens or subjects, in respect of conditions or charges or traffic, or otherwise in the passage through the canal," is that all nations will be treated alike and no discrimination made by the United States against any one of them observing the rules adopted by the United States. He makes a view contrary to that held by Sir Edward Grey.

May Ask Arbitration.
Secretary Knox denies that there is anything in the treaty which can be interpreted as meaning that the United States has surrendered its right to regulate its own commerce through the canal.

He contends that Great Britain is trying to read into the treaty the question whether the United States has surrendered the right to regulate its own shipping through the canal. Secretary Knox has answered the other objections raised by Great Britain, one of which was the expressed fear that if the protest against the granting of free passage through the canal to coastwise ships was not pressed, and insisted upon the subsidy granted to the coastwise trade, would in time be extended to all American shipping, and consequently come in direct conflict with British shipping.

Secretary Knox holds in his argument that the premises assumed by Great Britain are not sound. He states his argument by asking for the further exchange of notes on the question, and expressing the willingness of the administration to do everything to adjust the dispute.

LATE DR. DONNELLY NEPHEW OF JAMES

Not a Grandson of the Man
Who Was Murdered in
Famous Tragedy.

Mrs. N. Donnelly, of Appin, writes: yesterday's paper in regard to Dr. "I saw the write-up in Saturday and Donnelly's death in Toledo.
"Now he is not a grandson of James Donnelly, who was murdered in Bid-duph, as the paper said, but he is a nephew. He was a son of Patrick Donnelly, who came to Canada from the county of Tipperary, Ireland, in May, 1858, and stayed with his brother James in Bidduph for a while, then going to Toledo, where he entered the hotel business. He married in Toledo, and he and his family have resided there ever since."

THE WEATHER.

TOMORROW—MILDER.
Forecasts.
Toronto, Jan. 14.—8 a. m.
Today—Fair and moderately cold.
Wednesday—Mostly fair, stationary with a little higher temperature.
Temperatures.
The following were the highest and lowest temperatures during the 24 hours previous to 8 a. m. today:

Station.	High.	Low.	Weather.
LONDON	34	6	Clear
Calgary	4	-14	Clear
Port Arthur	4	-8	Cloudy
Perry Sound	1	-13	Cloudy
Toronto	23	14	Clear
Ottawa	2	2	Fair
Montreal	6	0	Cloudy
Quebec	8	-6	Cloudy
Father Point	14	-	Cloudy
Minus (-) means below zero.			

DAVID CROMBIE PROMOTED TO BIG JOB ON THE GRAND TRUNK

His Brother, J. C. Crombie, of London, Goes to St. Thomas as
Joint Superintendent of the Southern Division—Superin-
tendent Gillen Is Given a Big Position in Chicago.

[Canadian Press.]
Montreal, Jan. 14.—The first steps in an important scheme of reorganization affecting the whole transportation department of the G. T. R. were taken this morning with the appearance of two official circulars.

The first, signed by Howard G. Kelley, vice-president of the department and approved by the president, Mr. E. J. Chamberlin, announces the appointment, effective from date, of Mr. David Crombie as general superintendent of transportation. Mr. Crombie was formerly assistant to the vice-president. Other appointments are as follows: C. J. Bowker, of St. Thomas, joint superintendent of the southern division, to be superintendent of eastern lines, including Montreal division, Montreal terminals, Belleville divisions and Ottawa division.

H. E. Wittenberger, superintendent middle division, to be general superintendent of Ontario lines, including Toronto terminals, Hamilton division, London division, St. Thomas division and Stratford divisions—U. E. Gillen, superintendent eastern division, to be general superintendent western lines, including districts 25, 26, 27, 28, 29, and the Pontiac, Oxford and Northern Railway.

The second circular is issued by Mr. Crombie in his new capacity, and is approved by Howard G. Kelley, vice-president. It abolishes the office of superintendent of car services and re-establishes the appointment of W. F. Farrell, formerly superintendent of freight services, also of Fred Price, formerly superintendent of car service as superintendent of passenger service.

Mr. Crombie, who is thus placed next to the vice-president in charge of the transportation department, was born at Hamilton, Ont., in 1864, and is, therefore, another of those young Canadian railway men who are coming to the front on the great transportation systems of the Dominion.

The important changes among the leading officials of the Grand Trunk in Ontario and in London and vicinity particularly, were the subject of much comment at the local depot this morning, and bulletins on the subject mentioned in the above dispatch will be forthcoming from the head offices in Montreal within a few days.

Mr. David Crombie, who now stands next to the president of the railway, is a former Londoner, leaving the city when promoted some years ago.

Mr. E. J. Chamberlin, who is now superintendent of the eastern division, with headquarters at Montreal, is thus promoted to a newly-created position of wider scope, with jurisdiction over the company's western lines. His office in that position will be at Chicago.

Mr. Gillen came to London from Montreal on Express No. 1 at noon today, and left on No. 23 for Windsor. He occupied his private car, No. 2901. During his brief stay here he was seen by Assistant Superintendent W. K. Davidson of this city. Mr. J. C. Crombie, master of transportation, and other officials.

Mr. Gillen was only removed to Montreal a few months ago. He was formerly in charge of the middle division, with headquarters at Toronto, but exchanged divisions with Mr. H. E. Wittenberger. Mr. Gillen will be succeeded at Montreal by Mr. C. J. Bowker, formerly of this city, but now superintendent of the southern division at St. Thomas.

Mr. J. C. Crombie, master of transportation, and one of the most popular officials on the road, who is a brother of David Crombie, is scheduled to take Mr. Bowker's position, and Trainmaster Wilson, of Stratford, will be sent to London to take charge of the transportation department.

It is possible that no person will be named to succeed Wilson's position at Stratford for the time being, and that Trainmaster Charles Forrester, who was removed from London to that city a couple of years ago, will be placed in absolute charge.

CHANGE IN ELECTION DATE HAS NOT RESULTED IN GOOD

Hopes of a Bigger Vote in Lon-
don Have Not Been
Realized.

City Clerk Baker is not enamored of municipal elections on New Year's Day, and has communicated to the city council, asking that the date be changed to the first Monday in January, the same as all other municipalities in the province, with the exception of Toronto and London. His reasons for so doing are that the change has not resulted in good.

"When the change was advocated, it was thought that the change would bring a holiday, with all the commercial travelers at home, the vote would be much larger than was the case under the old system, and a more accurate expression of public opinion would follow," said Mr. Baker. "I have found that these hopes have not been realized. At the election in 1912, about 41 per cent voted. I have not been able to make a definite count this year as yet, but from the indications, the percentage will be even less than in 1912. There has been a pronounced falling off in the number of votes cast since the new system was inaugurated, and the end is not in sight unless a change is made. In my opinion, the old dates were much better. Voting on the holiday is not good. It spoils the day, and many people refuse to leave their homes at this time of the year to vote."

From a conversation with a number of the aldermen, it is thought that the change will be recommended by the council, and petitioned for in the London bill.

MACDONALD BY-ELECTION RAISES ROW IN LEGISLATURE

Government Front Benchers
Interrupt the Opposition
Leader.

[Canadian Press.]
Winnipeg, Jan. 14.—The first session of the Manitoba Legislature after a peaceful opening last evening developed considerable excitement when the occurrence of the Macdonald election was mentioned. It soon became evident that further discussion on the subject will be initiated. T. S. Norris, leader of the Opposition, brought the matter forward toward the close of his speech, and was subjected to continual interruption from the front bench members of the Government side of the House. Sir Rodman Roblin, in moving the adjournment, stated he would deal first with the cases in question this afternoon, declaring the whole accusation against the Government was but poison to prejudice the opinions of the people.

The idea first originated with the agricultural societies, and spread to the boards of trade. At the meeting of the county council last December, a deputation waited on the subject and asked the assistance of that body in the furtherance of the scheme. The council appointed a committee, and temporary officers were elected. The various offices will be filled this afternoon for the present year. Those who introduced the scheme claim that the county will reap much benefit from the campaign, and point to Lambton County as an illustration of their claims.

made in support of the new curfew law which the alderman fathered and which failed of passage.

FREAK WRECK DUE TO BROKEN RAIL
Eastbound Mail Wrecked in Rockies, But Nobody Injured.
[Canadian Press.]
Calgary, Jan. 14.—An accident extraordinary in its results occurred Sunday evening on the Crow's Nest Pass line of the Canadian Pacific Railway when the eastbound mail was wrecked, every car leaving the rails pell mell, with no injury to any of the hundred or more passengers. The wreck occurred a mile west of Burrville. Seven cars went into the ditch, one of the Pullmans turning completely over. A broken rail was the cause.