8 1907

ON COMPANY, LIMITED

Monday, Nov. 18.

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s show you what

Smoking Jackets and
.....$5.00
Double-woven Import-
Coats $6.00
amel's Hair Smoking
.....$8.50
ed Matalasse House
.....$15.00
ish Dressing Gowns,
ths $5.50
Soft Lamb's Wool
owns, large plaid pat-
.....$7.50
amel's Hair Dressing
.....$11.50
sing Gowns.$15.00

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ch Wool and Fleece-
nderwear, single and
breast, guaranteed un-
le, fine, soft and
sizes 34 to 46. Regu-
e up to $1.00 a gar-
Tuesday 59c

Hats

nter Wear Caps, in
Brighton, Motor and
apes. With fur drop
to cover the ears.
.....49c

Boots

answers every re-
a stylish, durable,
pt for evening, gen-
ness wear. The
er top is carefully
patent leather
a very handsome
. . $4.00

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PECIALISTS
ING DISEASES OF MEN
ilepsy Dyspepsia
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issions Skin Diseases
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and two-cent stamp for

Adelaide and Toronto
m. to 1 p.m., 2 p.m. to 6
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DPER and WHITE
St., Toronto, Ontario.

pits With His Teeth.
Pa., Nov. 17.—Altho he
s, Abraham B. Meyers
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he brought home last
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, while his companion,
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his gun by a ring under
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left arm, while to the
p, is attached, the end of
s in his teeth.

Annex, $9000—Snap for quick sale, detached twelve-room residence—hot water heating, six fireplaces, lot 50x144. House only three year old.
H. H. WILLIAMS & CO.
Realty Brokers, - 26 Victoria

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SENATE P O

The Toronto World.

OFFICES TO RENT
In Excelsior Life Building, Victoria Street.
F. J. SMITH & CO.
61 Victoria Street.

PROBS: Northerly winds; a few local snow flurries, but mostly fair and colder.

TWELVE PAGES—TUESDAY MORNING NOVEMBER 19 1907—TWELVE PAGES

27TH YEAR

CARRY THE POWER BYLAW---THAT IS THE DUTY WHICH RESTS WITH TORONTO NOW

A WARNING TO ONTARIO

History of the New York Traction Merger Which the Electric Ring Hopes to Emulate Here.

Gibson's Twenty-Five Millions Merger to Be Followed by One Eight Times the Size--Where Robert Jaffray and Rev. J. A. Macdonald Come in.

What is set out in the annexed article has a direct bearing on the game of the electric ring in Ontario. The methods of the traction merger in New York are about to be attempted here. In January last, letters of incorporation were issued by the secretary of state at Ottawa for a *company of $25,000,000 of capital to seven clerks in Blake, Lash & Co's law office, for an electrical company, to do business in Ontario. In a few days after this company was fathered by John M. Gibson of Hamilton (ex-Attorney-General of Ontario), and the Hamilton Cataract Power Company and its subsidiary companies were turned over to this huge capitalization*—three shares for one in companies already extravagantly watered—*an actual expenditure of less than four millions multiplied six times. This manipulation of the Hamilton project is only a patch on the Nicholls-Pellatt-Gibson-Jaffray merger that is to come, if they can break down the Whitney-Beck power policy. One hundred millions will not cover it*—Mackay Cable will not be in it, any more than "Met-Inter" of New York. Read the story of Sao Paulo in Saturday's Telegram. It is a light-shedder.

As a matter of fact, the leading men in the ring are very small holders in the Toronto Electric, the Street Railway, the York Radial, etc. But they are the directors of them all; they wish to be directors until they can persuade the shareholders of these companies to exchange their present shares for shares (preference shares, we imagine) in the hundred or *two hundred-dollar merger, of which they will have at least fifty millions of common watered stock that they will seek to sell to the investing public if it can be persuaded into buying, after the public and the municipalities have been sewed up to the Toronto Railway, the York Radial, the Toronto Electric Light, the Ontario Electrical Development, etc.* It is the last game for immense fortunes of a lot of desperate men, men writhing to-day in the throes of their financial blunders and their unexampled record of money-greed at the expense of the people. They have been caught by the crisis before the game was ready, but they are playing it still The *Toronto Globe is the organ*, and *Robert Jaffray the mouthpiece* of these men. *And this same Robert Jaffray is still a member of the Niagara Falls Park Commission, that was appointed to conserve the waterpowers of Niagara for the people of Ontario. And Rev. J. A. Macdonald is the editorial* and *moral shield of it all!*

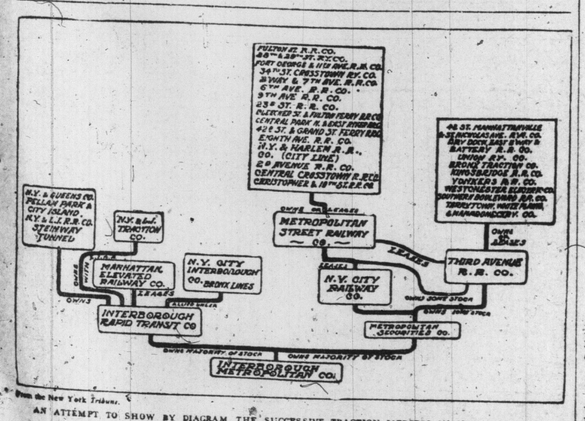
From The American Review of Reviews for November.

Perhaps the most startling illustration the country has ever had of reckless and gigantic abuse in the forming and merging of corporations has come to light in the investigation of the street railroad monopoly existing in New York City. Originally there were many surface lines of street railroad, operated by horses, and owned by separate companies. The obtaining of franchises and charters in the earlier period involved long chapters of corruption and fraud which reached the climax in the wholesale briberies that attended the granting of the Broadway franchise. Gradually the surface lines were brought into unified control, altho the process was attended with a vast amount of detailed corporation history. The men most active and authoritative in amalgamating the lines and producing the street railroad monopoly were the late William C. Whitney and Mr. Thomas F. Ryan. After Mr. Whitney's death Mr. Ryan dominated the situation, his most important associates being a well-known group of so-called "traction magnates," whose headquarters were Philadelphia, namely, Mr. Elkins, now dead; Mr. Widener, and Mr. Dolan. Mr. Ryan was always regarded as the silent but masterful figure dominating the whole situation. Meanwhile, the elevated system had been built up by the Gould interests to meet the imperative demand for rapid transit up and down the length of Manhattan Island. And, finally, when the pressure upon transit facilities went far beyond the capacity of the elevated system, the underground lines were built by direction of a public rapid transit commisison, the capital for constructing these subway lines being provided by the city itself. The contract for building and operating the subway lines was obtained by a syndicate headed by Mr. August Belmont. These lines, known as the Interborough system, were a brilliant success from the very moment of their opening, three years ago. The subway system had been made possible by the successful application of electricity to the operation of such roads. The elevated system meanwhile had also abandoned steam and adopted electricity. The surface lines had gradually abandoned horses and adopted a costly but effective system of operation by electric trolley wires underneath the tracks.

A Vast Amalgamation.

The Interborough Company at about the time of the opening of its first subway lines obtained control of the Manhattan (elevated) system by the device of leasing it for 999 years, and guaranteeing to pay 7 per cent. interest on its outstanding stock. In this connection it would hardly be necessary to attempt an explanation of the series of holding companies which were formed one after another to round out the monopoly of the surface lines. At some future stage in the process of investigation we shall attempt to present a somewhat detailed analysis. The situation illustrates, more fully than anything else that has come to light in this country, the need of some sharp and strict regulation of the power of business corporations to control other companies by the holding of a majority of their stock—these other companies themselves in turn also holding the controlling interest in still earlier companies. In the case of the New York City street railroads, the device of successive holding companies has proved to be a means for loading an ever-increasing volume of obligation, in the form of stocks and bonds, upon each mile of the

Continued on Page 6.



From the New York Tribune.

AN ATTEMPT TO SHOW BY DIAGRAM THE SUCCESSIVE TRACTION MERGERS IN NEW YORK CITY.

TOR. ELEC. OFFERS CONFERENCE NOW

Willing to Discuss the Situation With City in Everybody's Interest.

Sir Henry Pellatt, president of the Toronto Electric Light Co., has written the following letter to the mayor:

"In view of the letter recently sent to you by Mr. E. B. Osler, M.P., in relation to the supply of electric power for this city, and desiring to correct any misapprehension, I wish at this juncture to make quite clear the attitude of the Toronto Electric Light Company.

"An impression seems to have gone abroad that our company is unwilling to meet the city council in reference to the making of some arrangement which might obviate the necessity for a very large expenditure of public money in a duplicate power and distributing plant for the City of Toronto.

"As to this I would say that the company is ready and willing at any time to meet yourself or the board of control with a view to arriving at some understanding which will fairly meet the situation, and be in the best interest of all concerned."

Commenting upon this his worship remarked:

"There is no question as to whether we should meet them, but whether before or after the vote is taken I have not decided."

The mayor, in explanation of his reason for thinking that the proposal of Sir Henry Pellatt should be entertained, said that at Friday's conference, one of the independent engineers present gave it as his positive opinion that two electric lighting systems could not exist in Toronto. One must inevitably absorb the other. This view appeared to be accepted by the other engineers, as the statement went uncontradicted.

So long as the company is in a position to say that the city must accept the terms offered the city cannot afford to negotiate. When the city has an alternative the question can be taken up in a businesslike way, and with some hope of equitable results.

The only available alternative in the case is to be had by the passing of a bylaw which would place a distribution plant of their own within reach of the citizens. Then, if the Electric Light Co. had something better to offer, the proposal could be considered.

The mayor will no doubt proceed with the measures necessary for the preparation and submission of the bylaw, and when it has been carried by the citizens, will retire from office with the reflection that if he had not built the Yonge-street bridge he had at least assisted in procuring cheap power for Toronto.

Hon. Adam Beck is expected in the city about noon to-day. A conference will be held during the day between the board of control and the power commission, when the question of the revised estimates will again come up.

Copper continues to fall in value, so that this item in the estimates is almost half what was calculated. Every cent a pound of reduction would save $17,000 on a $2,500,000 plant, and the price has fallen from 28c to about 15c for copper wire.

LONDON'S POWER BYLAW GIVEN FIRST READING

Engineer Instructed to Prepare a Statement of Estimated Cost of Distributing Plant.

LONDON, Nov. 18.—(Special.)—The Niagara power bylaw was given its first reading at the city council tonight, and was referred to the special committee of the council, who were given power to instruct the engineer to prepare a statement of the estimated cost of distribution and to prepare plans showing the area proposed to be covered.

These plans and estimates will be considered at a special meeting of the council. The bylaw providing for an expenditure of $393,500 for waterworks extension was given its second reading after strong opposition. It was decided to apply to the legislature for power to grant financial aid to the Western University.

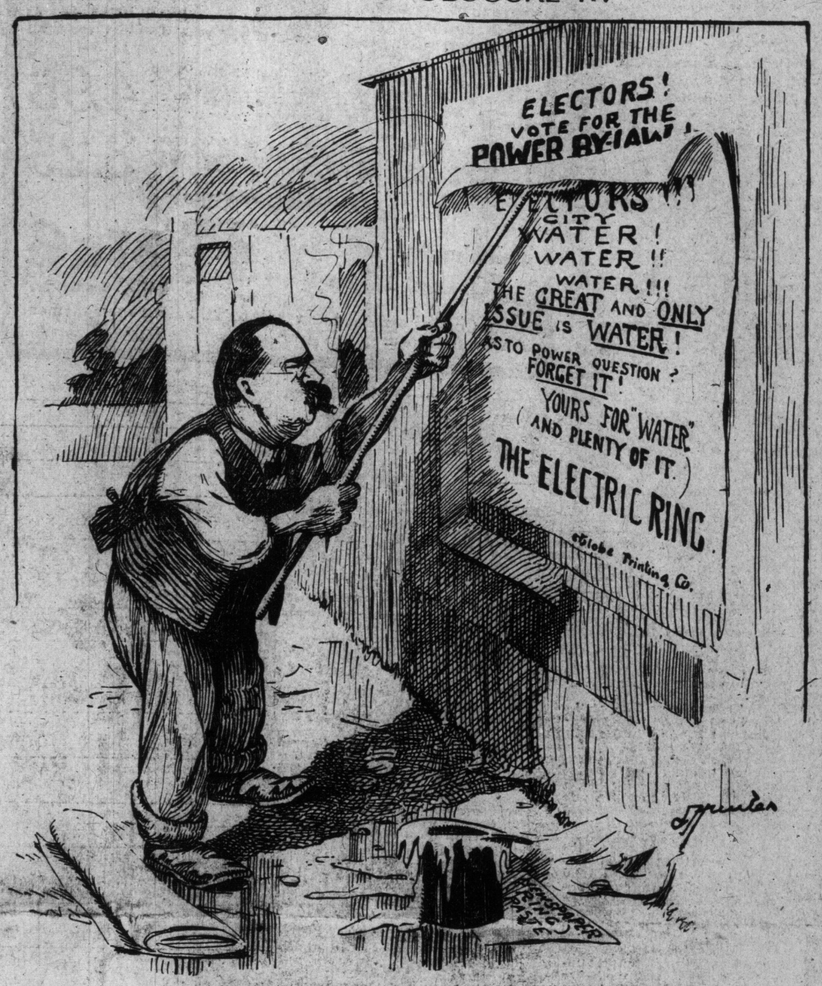
COLLIWELL BY ACCLAMATION.

BRANDON, Nov. 18.—(Special.)—Hon. G. R. Colliwell, provincial secretary, was elected member for Brandon by acclamation to-day.

Theft Charge.

Thos. Curran, 275 Margueretta-street, was arrested by Detective McKinney last night charged with theft of a suitcase from Edward Kane.

TRYING TO OBSCURE IT.



OR FOXY MR. NICHOLLS' LATEST DODGE.

JAP AND BRITIAN CLASH IN EAST

Count Okuma Hints at an Aggressive Policy to "Protect" India.

PEKIN, Nov. 18.—The speech delivered at Kobe by Count Okuma, who was at one time head of the progressive party in Japan, in which he declared that Japan would sorely disappoint the people of India as well as ignore the opportunities given by Heaven if she failed to afford protection to the millions of India now being oppressed by Europe, has caused great excitement among the British newspapers published in Northern China.

In this section of the empire the Japanese expansion movement is interfering greatly with British interests and there is open warfare between Japanese and British merchants.

Since last May Englishmen have been the leaders in the anti-Japanese campaign in Pekin and Tientsin. The Times, which is the principal despatch organ in North China, gives expression to the "deep seated and smoldering wrath" of Britons in the far east and accepts Count Okuma's words as a national expression.

"They reveal," this paper declares, "the cloven hoof and the attitude of ill-mannerism toward a country, the support of which gave her her present position in the world. We hope that the revelations made by Count Okuma will open the eyes of King Edward and his countrymen as the eyes of Briton were opened long ago."

The anti-Japanese press in the south of China has recently indicated its purpose of fighting the Japanese, whose operations," it is declared, "now conflict with those of Britain from the Yangtse to Manchuria." One paper expresses the conviction that agitation of the present situation probably will result in breaking the Anglo-Japanese alliance.

BUTTER FROM AUSTRALIA?

If Domestic Product Continues Dear, Article May Be Imported.

The surprising announcement was made yesterday that a Toronto produce firm had engaged a shipment of butter from England for domestic consumption. Particulars of the matter are being withheld, but The World is informed on reliable authority that a city firm has engaged 500 cases of Australian butter for importation thru an English house.

One produce man spoken to said that he thought that this was quite possible, owing to the high price at which Canadian butter was now being sold.

"I can tell you this," he said, "our prices are far too high to enable us to export, and you will find that this is verified if you refer to the exports from Montreal for the last few months. Australian, Danish, Siberian and other butters are selling in the English market at about 24c a pound. The import duty on butter is 4c a pound, and it is possible that one might make a profit by bringing in foreign supplies and selling them at our present high prices.

"The only danger is a slump in the market here. Prices are getting easier, and I think they may continue to do so. There has been a lot of butter stored to hold for a high market, and when it is seen that there is a chance that this will not eventuate, supplies will come out more freely and prices will drop.

"No. I never heard of butter imports before, and it seems an anomaly that Canada has to be an importer of agricultural products," was the concluding remark of this dealer.

Arrested After Nine Years

For nearly nine years a warrant has been at police headquarters charging Albert E. Mansfield with theft of $102 from W. M. Johnson. From searching for Mansfield they turn to a search for Johnson, who drew the warrant. At the time it was taken out he was resident at 467 Bathurst-street. He has not lived there for years and those now at the address have never heard of him.

When the warrant was filed Inspector Black of No. 6 division was given charge of the matter, being then connected with the detective department. It was then alleged by Johnson that the money had been paid to Mansfield with other sums by other young men in February, 1899. Mansfield disappeared shortly afterward and the warrant was issued in March of that year. The business which was to have been started with the money at 27 Victoria-street was not carried on, and what it was the police cannot recall.

Mansfield was destitute when he arrived in the city yesterday and was arrested by Detective Newton. He has served the last three years with the artillery at Kingston. The police are anxious to hear from Johnson, who drew the warrant.

BIG BOND ISSUE MEETS APPROVAL

Gold Engagements Have Practically Ceased as a Result---Drew Out Hoarded Money.

NEW YORK, Nov. 18.—Gratification was the prevailing tone in banking circles to-day over the government's plan for relief for the money market by the issue of $50,000,000 in Panama Canal bonds and $100,000,000 in one-year treasury certificates. The issue of Panama bonds had been counted upon as a probability since it was first referred to some ten days ago. The issue of short term certificates was more of a novelty and as such attracted more discussion. The general opinion in banking circles was that both measures would tend to draw idle money from private hoards and thereby break the premium on currency and restore normal conditions in the money market.

So strong was this feeling that it was understood that gold engagements would practically cease with to-day. London bankers declared that the gold already engaged is as much as New York can justly take from Europe under the strained conditions which prevail there, and that to take more will only compel its return later on.

The amount already taken or engaged approaches $70,000,000, which is much more than the most sanguine predicted at the beginning of the movement about three weeks ago. It is not considered desirable to force the Bank of England to raise its discount rate to eight per cent., as has been talked of in London.

The issue of short term obligations, bankers declare, will admirably meet the demands of the present, because they can be taken up and paid for on the expiration of their term from the treasury cash balance, which can then be withdrawn without danger.

PREMIER ROBLIN HERE.

Premier Roblin of Manitoba arrived in town last evening from Winnipeg, and registered at the King Edward.

Don't Worry Influence.

Our guarantee and fidelity bonds say the final word as to a man's fitness for the position he fills. We issue a bond that speaks for a man's integrity and we place a money backing on our word for him. Guarantees for trusted officials and clerks of every capacity. No need to hunt up influential relatives and friends. London Guarantee and Accident Co., corner Yonge and Richmond-streets (Confederation Life Building). Phone Main 1642.

EARLY SHUFFLE IN CABINET IS PREDICTED

Hon. G. P. Graham to Be Postmaster General---Lemieux Minister of Public Works.

OTTAWA, Nov. 18.—(Special.)—When the Hon. Rodolphe Lemieux returns from Japan he will be transferred from the postoffice to that of public works, and there will be a big shuffle of cabinet positions. Mr. Lemieux is ambitious and is anxious to gain as much experience as possible. Before he left for Japan he was offered by the premier the portfolio of public works, but declined, his reason no doubt being that he preferred to retain his position at the head of the department of labor until the mission to Japan had been completed.

It is an open secret that the Hon. Rodolphe Lemieux aims at being considered the successor to Sir Wilfrid Laurier in the leadership of the Liberal party, which object is aided by the unpopularity of Hon. W. S. Fielding with the French Canadians of the house. Hon. William Pugsley is, of course, destined for the department of justice when Mr. Aylesworth resigns, tho he may take over railways and canals first, which portfolio was originally destined for him, but the appointment proved offensive to some of the other members of the cabinet and he was given public works instead.

Mr. Graham will get the postoffice and labor department. These arrangements have now been made and unless something crops up unexpectedly, will be carried out during the month of December. The cabinet is also considering the successorship to Sir Frederick Borden, whose formal resignation may be expected at any moment.

The name of Col. O. E. Galbot of Bellechasse has been mentioned, and the shuffle may be so arranged as to admit another minister from Quebec.

CONSTABLE MARSHALL DEAD

Was Stricken With Paralysis While on Beat Last Week.

Police Constable William Johnson Marshall died in the general hospital at 5 o'clock yesterday afternoon as the result of a paralytic stroke while on his beat Wednesday last. It was the second such seizure and he did not rally or regain the power of speech after the attack.

Marshall was 32 years of age. He had served seven years on the force, where he was universally respected and beloved. He leaves a widow, having married eight months before his death.

After services to be held at his late residence, 24 Cummings-street, at eight o'clock to-night, the remains will be sent to Barrie for interment.

ALL-RED ROUTE.

London Daily Mail Says Steps Have Been Taken.

LONDON, Nov. 18.—(C.A.P. Cable.)—The Mail says that preliminary steps have been taken towards the formation of a corporation for the establishment of an Atlantic section of the all-red route. The corporation's character gives assurance that with the cordial co-operation of the two governments the idea will in due course become an accomplished fact.

JUDGMENT WAS VARIED.

Copeland-Chatterson Co. Had Points Decided in Their Favor, Too.

The information published in The Sunday World, under the heading "Business Systems Win Appeal in Noted Case," seems to have been quoted too freely in the interests of the defendants in the case.

The fact is that some of the issues were decided by the court of appeal in favor of the plaintiffs and some in favor of the defendants. That much appears by the official report of the case.

Copeland-Chatterson Company v. Business Systems, Limited.—Judgment (G.A. B.) on appeal by defendants and cross-appeal by plaintiffs from judgment of Clute, J., (8 O.W.R., 883), in favor of plaintiffs. The action was for damages and an injunction and other relief in respect of a conspiracy by defendants, Henry J. King and others, to procure the incorporation of the defendant company to engage in business in competition with plaintiffs. Appeal of defendants allowed in part. Judgment varied. Cross-appeal dismissed with costs. G. F. Shepley, K.C., and W. H. Irving for defendants. W. E. Raney and A. Mills for plaintiffs.

PEOPLE WE MEET.

By observing many of the business men of the city and prominent representatives of commercial interests who are constantly visiting Toronto you will note that the brown stiff hat is popular and dignified. There are several fashionable shades and Dineen's, the hatters, at Yonge and Temperance-streets, have them all. The word satisfaction is synonymous with the name of Dineen, whose special hard or soft felt hats at $2.50 and $3, on the newest blocks of the leading makers, have long ago become famous and are sustaining the firm's reputation.