

THE KLONDIKE NUGGET.

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FAWCETT'S NEMESIS.

The "Nugget" Prosecutes a Serious Charge Under Difficulties.

HOW "BIG ALEX" WORKED THE GOLD COMMISSIONER.

Great Lapse of Memory of Officials When Put On the Rack.

But the "Nugget" Secures Damning Admissions Just the Same—Only Voluntary Evidence Taken and Then No One Can Be Compelled to Answer—Nevertheless Conviction Stares Mr. Fawcett in the Face—Evidence Piled Up Pile on Pile.

Saturday's session of the royal investigation committee proved a most depressing surprise to certain gentlemen occupying high positions in official life, and especially to Mr. Thomas Fawcett, whose late conduct of the office of gold commissioner, more than anything else, was responsible for the conditions which necessitated the appeal for the institution of the investigating body. His hope of escape from the myriad of damning charges against him received a staggering blow, from the effects of which—at least so far as public opinion goes—he will never recover. Dark, dank gloom settled down where arrogant defiance had reigned, and a realization of inevitable conviction dawned amidst the gathering shadows. A more complete victory than was secured over the fallen official could only have been hoped for and not expected, under the circumstances, for the evidence was taken under the limitations of his powers, which Commissioner Ogilvie lately discovered in his commission, with which the public has heretofore been made acquainted. A discerning and implacable judge, representing an abused public, occupied that portion of the room set aside for the accommodation of the public, and triumphant applause arose time and again from earnest hearts as the chains were riveted upon the wrists of the crestfallen defendant, metaphorically speaking. Had the scene found its action within the sanctity of a criminal court, and a trial for malfeasance been the motive instead of a misdirected investigation, conviction and punishment would have been the lot of the accused before the case had been concluded.

It was proven satisfactorily that Thomas Fawcett had entered into collusion with Alex. McDonald in a plan to extort from two ladies, without even a shadow of right or justice, the sum of \$2,000; and that he had used his official powers to that end; that he had represented to them that a mortgage existed against certain mining property which they wished to acquire by entry, which mortgage he knows never existed; that he employed in the plot a subsequent application for the ground of an entirely different person than Alex. McDonald; that he would not, and did not, allow the ladies to record until they had assumed the alleged indebtedness and signed a document alleging that they had owed Alex. McDonald \$1,000; and that the entire of the other man to the property was set aside as soon as this was done, though neither had at any time been consulted or considered in the matter; that, in fact, there never did exist a contest to one-half the claim, though it was otherwise represented to the lady; and she was obliged to assume a half of the \$2,000 indebtedness; that, although Donald McDonald had staked the two claims for one, and that his stakes yet call for 500 feet, the application which he made for the same has been filed, and now shows a claim for only 250 feet.

The evidence was of the most sensational nature throughout, and it is an open question which witnesses proved most damaging to Fawcett's good name, those for him or those against. That the latter's witnesses furnished more nails for the coffin and yet produced them unwillingly, but makes them the more valuable. Some were too honest to lie, as Mr. Calder. Some hid behind "I don't know," as did Mr. Craig; but from first to last the testimony was pointed and full of material facts, pointing to the prostitution of government office for private gain of friends.

UNCOVERING THE FRAUD.
The charge against Mr. Fawcett, by which this was all brought out was preferred, among others, by the Nugget, and was that Mr. Fawcett did use his official powers for the benefit of friends and the prejudice of free miners, as in the case of the Dominion creek claims of Mrs. Miner and Mrs. Kelly, when he compelled them to pay Alexander McDonald the sum of

\$2,000 before allowing them to record the claims they had staked." The Nugget had withdrawn from actively prosecuting the investigation, owing to the construction placed upon the instructions of his commission by Mr. Ogilvie, whereby all charges of wrong-doing occurring subsequent to August 25th last, were to be ignored; but agreed to appear in prosecution of the charge above quoted because the innocent parties involved had been unwillingly dragged into it by the Nugget and felt the necessity of going on in their own interests, even under the adverse conditions employed by Commissioner Ogilvie's late ruling. An explanation to this effect was made by Mr. George, the Nugget's representative, and the commissioner consented to hear the evidence. As no oath could be legally administered, it was mutually agreed that the witnesses should give their testimony, which would be reduced to writing and presented to them for subsequent affirmation to its truth before a justice of the peace, reserving them the right to first strike out such portions of their testimony as they desired. Mr. Fawcett had gone to extreme pains to prepare an elaborate defense and was in high glee over the confusion which he expected to create in the ranks of his prosecutors. But, alas! the frailty of human hopes.

THE FIRST NAIL IN THE COFFIN.
The first witness called was Mrs. Kelly, who in response to a request from the Nugget's representative testified, in substance, as follows: Just after midnight of August 31, I was staking the lower half of E above upper on Dominion. After completing the staking I came to Dawson and made application to record, which was received. Mrs. Miner, who accompanied me, had staked the upper half of the claim and presented her application, but it was not received. At the end of ten days we returned to the office, as directed, but were told by the clerk, Mr. Craig, that they hadn't had time to look the matter up. Two days later we again went to the office and Mr. Craig said he had not had time, as yet, but in about two weeks he would be able to publish a list of those entitled to record and who had not contested against them. After the two weeks were up I called on Mr. Fawcett and told him I would like to understand all the particulars about this claim. He told me there was a mortgage of \$2,000 against it in favor of Alex. McDonald. I asked him if it was on record, and he replied it had been since last winter. I asked him how it was they could hold claims for debt against crown lands, as there had been no representation on this claim. He insisted that if we got the ground we would have to assume the indebtedness, and that Mrs. Miner and I could each assume half. He further said he would not let anything else be done with the ground pending our decision. Later, Mrs. Miner and I executed two mortgages for \$1,000 each in favor of Alex. McDonald. Together with Mr. Doherty and Mr. Calder, agents for Alex. McDonald, Mr. Miner and Mr. Kelly, we went to Mr. Fawcett's office. Mr. Doherty had drawn up the mortgages, and we signed them in Mr. Fawcett's presence. He saw us sign the papers and then let us record. He gave Mr. Doherty a note to Mr. Craig and we went with him to the clerk. Craig read the note and went downstairs. After a time he came back and wrote on the note something to the effect that we were willing to pay the \$2,000, and we signed it. He said it was to keep up his end of the thing. The note was so held that we could not read it all. I never had any dealings with Alex. McDonald and do not know him nor ever owed him anything.

Under cross-examination, witness continued: Nothing was said about a contest and I did not think there was one, as we were the only ones who staked for 250 feet. My husband found other stakes on the ground for 500 feet. I never saw the mortgage Mr. Fawcett had told us was on the ground. When we had

recorded I asked Mr. Craig how the mortgage could be settled, as I know nothing about law and thought it should be taken up. Mr. Craig replied: "Why, there is nothing against this ground." Afterwards we gave Alex. McDonald an option for \$15,000 on the ground and he has the claims out for sale. While Mr. Craig was away I saw some papers on his desk, apparently a list of applications, and one bore the name of Donald McDonald. I did not see how much it called for, but his stakes were for 500 feet. Mr. George here read the mortgage given by Mrs. Kelly to assume the \$1,000 alleged indebtedness, which went on to set up that she was partly indebted to Alex. McDonald in the sum of \$1,000 and was giving the mortgage to secure it. "And were you indebted, in any sense, to Mr. McDonald?" he asked. "No," replied the witness. "I never owed him a penny." "Then, were you not induced to subscribe to what was not true? and how came you to be induced to sign your name to a document giving Alex. McDonald a lien on your claim?" "It was the only way I could get it recorded," was the pithy reply.

Commissioner Ogilvie took a hand here and asked Mrs. Kelly if she and Mrs. Miner remembered calling on him in reference to their claims, asking if a mortgage would be any good against a claim that had not been represented. "Yes," was the answer of witness, "and you told me you didn't see how it could." "You see, I didn't know then that there was no mortgage against our claims?"

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THE PLOT BROADENS.
Mrs. Miner was the next witness called. She told how she had, in Mrs. Kelly's company, staked the upper half of the claim in question and applied for record. She was put off for ten days and then the application was filed. She went again to get a certificate of record and was told by Mr. Fawcett that there was a mortgage against the ground, and that she couldn't record unless she assumed it. Witness then told of herself and Mrs. Kelly assuming the indebtedness by signing the mortgages against the ground; of Fawcett being present; of him giving Doherty a note telling Craig to let the ladies record; of Craig going down stairs after reading the note and of seeing the list of applications for claims on this desk, among them that of Donald McDonald. "His application was for 500 feet," she said.

Mr. Tabor, who represents Mr. Fawcett and the other officials in the investigation, began a cross-examination here, and unexpectedly let drop a remark that must have made his principal client wince. "I am in a rather delicate position here," he said. "As Mrs. Miner consulted with me as an attorney on the matter of the mortgage some time ago, I advised you that you didn't have to pay that mortgage, didn't I, Mrs. Miner, and that Alex. McDonald didn't have any claim in law?" Continuing under cross-examination Mrs. Miner said she did not see a note for \$2,000 given by H. L. Birt, the original owner of the claim, to Alex. McDonald; later it was found in Mr. McDonald's effects and given to Mr. Miner, who, in turn, gave it to Mr. Doherty. She did not see Donald McDonald in the act of staking her ground, but supposed he was on the ground, as he had been there for several days previously, and made me think he was there for the purpose of staking. He said, however, that he did not intend to stake, as his brother Alex. had bought the claim.

Mrs. Kelly was here recalled, and testified that she saw Donald McDonald and two men on her claim at the time. Mr. McDonald was cutting a stake as I drove mine down," she said with a brightness that made the audience laugh in approval. His stakes are on the ground now; I understand he staked for 500 feet. He saw me later, and said that if I did not do as he proposed his brother Alex. would get the claim. His proposition was that I should assume Birt's indebtedness to Alex. McDonald. He also proposed that myself and husband stake the ground over again with him and leave Mrs. Miner out.

WERE COMPLETELY TAKEN BY.
Mr. Miner next took the stand, and told of consulting with Mr. Kelly when the ladies had been refused record. They went to Doherty and agreed to assume the indebtedness mentioned, which Doherty allowed them to believe was a mortgage secured by Birt's note, which they supposed would be transferred to them, and in exchange for which the ladies were to be allowed to record. Doherty never said anything to disabuse them of that idea. He was with the ladies when they signed the papers in Mr. Fawcett's office, and accompanied them up stairs when they went to record. He looked over Doherty's shoulder and read the note from Fawcett to Craig.

FAWCETT'S NOTE.
It said, in substance: "These women have signed a mortgage to Alex. McDonald for \$1,000 each on claim 15, Dominion, which is the best we can do, I think, and you had better let them record." Witness heard the ladies talking about the paper, containing application on Craig's desk. Donald McDonald's application was for 500 feet. Witness had measured the ground, and found it to be but 480 feet. The first time he knew there was no mortgage on the ground was right

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after the ladies had recorded, when Craig said, "Why, there is nothing against this ground." I always supposed there was a mortgage. It was never said to us that Donald McDonald would relinquish any claim he might have to the ground if we took up the indebtedness. I never considered that he had any valid claim on it, and if the proposition had been put to us in that way we would never have paid \$1,000 to him, nor a cent. No, we did not owe Alex. McDonald a cent.

Mrs. Kelly was recalled at this point by Mr. George and asked if, instead of the alleged mortgage, the demand for \$1,000 had been made in consideration of Donald McDonald withdrawing his claim to the ground she would have consented to pay it. "No," she replied, "nor was mention ever made of a contest by Donald McDonald." Mrs. Miner was then recalled and replied substantially as did Mrs. Kelly, that a contest was never mentioned to them.

AFRAID OF McDONALD'S PULL.
Mr. Kelly was the next witness called, and as he was known to have sought a conversation with Fawcett a couple of hours before, during which he asked the other to believe that he was a very unwilling witness against him, his evidence was awaited by the knowing ones with a deal of interest. Mr. Kelly deposed in substance that he was with his wife when she staked her claim. Two weeks later he got a note from her, saying there was a mortgage of \$2,000 against the ground in favor of Alex. McDonald, which they would have to assume before they would be allowed to record, and asking him to come to town, which he did. After consultation with Miner, he went to Fawcett and asked him if the ladies could record if the McDonald interest was satisfied. Mr. Fawcett said, "Certainly." He advised the ladies that the best way was to take up the indebtedness, and the ladies gave their notes secured by mortgages on the claims. They agreed, and he told Doherty they had decided to take up the mortgage. Doherty did not deny that there was a mortgage, and agreed that it should be turned over to Miner. Witness was pressed for time, and thought the form of settlement he proposed was the most advantageous. "Of course," he said, "I did not know that she would act on my advice, as she has opinions of her own."

The audience seemed to concur heartily in the closing expression, and joined in his compliment to the lady with applause and laughter. Continuing his testimony, Mr. Kelly said: "Donald McDonald told me his brother would beat me anyway, I did not investigate any of the stories, and lumped all the opposition. I wanted to remove it all at one settlement, and so advised the plan I did, which I think was a good bargain."

Mr. George: If the same proposition were to come up now, you knowing there was no mortgage against the ground, would you advise the same step?

Witness: Well, I couldn't afford to remain away from my claim and lose the time, and—

Mr. George: Do you think that without the collusion of the gold commissioner the opposition of Alex. McDonald would have been such as to prevent your wife from recording her claim?

Witness: I don't know that there was any collusion. Very few men could be pitted against Alex. McDonald with success. I don't want to incur the enmity of Alex. McDonald or anybody else with the wealth he has. If his demand had been for \$2,000 instead of \$1,000 I would have paid it just the same if the claim was worth \$10,000. It never occurred to me to appeal to the gold commissioner, because my wife had told me it was no use.

Mr. George again put his question and demanded a straight answer to it. Witness replied: "Ours was the first staking, and I kept our rights under it; but I knew McDonald would antagonize me, and I dreaded the opposition he could bring forth."

Mr. Ogilvie: Did you ever think there was any collusion between Alex. McDonald and the gold commissioner, or that McDonald's influence would have any effect upon the gold commissioner?

Witness: Well, I am an imaginative person, and I might have entertained many ideas, but if expressed, would be an injustice to the person. I believed that if I entered into a contest with McDonald it would be made such an expensive affair that I could not stay in, and to that extent it would have been unfair.

Mr. George: Did you know that in a contest against McDonald, with Fawcett for a trustee, the chances would be against you?

Witness: I knew his would be but the preliminary court.

Mr. George: Well, Mr. Kelly, I will not ask you to antagonize the McDonald power by giving straight answers.

Mr. Ogilvie: It is not right, Mr. George, to cast aspersions like that against Mr. Kelly's character.

Mr. George: Mr. Commissioner, I have three times asked him a question and he has refused to give a straight answer, after volunteering to come here and testify. Well, I have put on the last of the witnesses who volunteered to testify; there are other witnesses, but I didn't try to get them and will submit the case to you as it is.

THE DEFENSE GOES TO PIECES.
The Nugget's case being all in so far as the circumstances would permit, the defense took the helm, Mr. Fawcett at once going into the witness box to give his version of the main

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