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PITTSBURGH GRAFTERS CAUGHT IN A TRAP

Sensational Evidence in Court Detective Told How He Bribed Them—Some Councilmen Could Be Bought for \$5—Big Money Split Up—Bankers in the Toils, Too.

Pittsburg, Pa., Dec. 23.—The seven city councilmen and two bankers arrested here Monday night charged with conspiracy, corrupt solicitation and bribery, were given a hearing today before a police magistrate. Upon the introduction of startling testimony, which implicated other councilmen at present unknown, all the defendants were held for trial.

According to the testimony a majority of the council of Pittsburg could be bribed by the payment of sums ranging from \$100 to \$5 and it was also testified that recently sixty councilmen divided \$48,000 corruptly offered in connection with the filtration plant.

W. W. Ramsay and A. A. Vilecek, former president and cashier of the Gernap National Bank, were first placed on trial. It was testified that they were approached by Councilman John Klein, one of the accused, who said that the bank would be made a depository for the city's funds in the event "the German National Bank would do as other banks have done."

After several talks the bankers placed \$17,500 on a table in a room in the bank. Councilman Klein and a companion entered a room and a short time later left the bank. The bankers then visited the room and the money was gone.

At the request of the directors of the bank both men resigned last Saturday. They were held for trial in the sum of \$14,000 bail each.

The seven councilmen, President Brand and members Klein, Soffel, Wasson, McInnes and Ferguson, of common council, and Atkinson of selectmen, were then called for trial.

The principal witness was Robert Wilson, a private detective, and superintendent of the Municipal League of Scranton (Pa.), who is employed by the Veterans' League of Pittsburg, which brings the prosecution against the nine defendants.

Sensational Testimony.

Mr. Wilson's testimony was highly sensational. Aided by an assistant, Mr. Wilson engaged a room in a local hotel and then set holes in the doors and walls of an adjoining room. Then a series of meetings were arranged with councilmen. His assistant, Herbert Jones, posed as a business man desiring certain ordinances passed and during Jones' talk the councilmen and Wilson, and a stenographer were in the next room taking a full record of the transactions.

While the conferences were going on, Councilman Klein had a great deal to say about how completely councilmen were controlled by the accused men, the detective said. He also testified that Klein and Drandach accepted \$500 from Jones, in paying for securing the passage of an ordinance.

At a meeting held in another local hotel Klein, it was testified, told Wilson how hard it was to divide money among the councilmen. To illustrate his remarks Klein described how \$48,000 had to be split between sixty councilmen. This money was received in connection with the construction of a new water filtration plant.

Councilman Klein, Wilson testified, said that the councilmen had different prices. Some councilmen, he said, wanted \$100, some \$75, some \$25 and some \$5. According to Klein, Wilson related, the \$5 councilmen were known as "hoopsters," it was even possible to obtain some councilman votes on some measures in return for a suit of clothes or for direct contributions.

With the exception of Klein and Wasson, the defendants immediately renewed their bonds for appearance for trial and were released in the aggregate the bond amounted to \$181,000.

Klein and Wasson, each accompanied by a detective, left the money and returned to the close of their hearing to look for bondsmen. They succeeded several hours later, each providing \$90,000 bonds with friends as sureties.

According to the testimony of Wilson today, Klein said among other things: "You know I get the buildings and money and get them ready for me cutting. You know Wasson looks like a fellow that is hard to reach, but he is not. He was elected as the reformer, then he came over to our side of the ship. He was tried and tested and when he was found to be all right, we took him in on the good things. Now he looks like the money, as fast as the rest of us. He thinks he is cheated once in a while and we have trouble with him, but when he finds he has had an equal share of the spoils, he is satisfied."

"Now there is Hugh Ferguson. He looks all right, but he will take the money, and Jacob Soffel and Wasson do not do our work. So you can see what a conspiracy we have."

JAIL SENTENCE FOR LABOR HEADS

Gompers Gets a Year and John Mitchell Nine Months

STUNNED AT RESULT

Federation President Bursts Into Tears—Judge Wright's Judgment a Scathing Rebuke to Men Who Have Defied the Law—Ask Roosevelt for Help.

Washington, D. C., Dec. 23.—Twelve months in jail for Samuel Gompers, president, nine months for John Mitchell, one of the vice-presidents, and six months for Frank Morrison, secretary, all of the American Federation of Labor, was the sentence imposed by Justice Wright of the supreme court of the District of Columbia today, for contempt of court in violating an order previously issued enjoining from placing on the unfair or wrong patronage list, the Bucks Store and Range Company, of St. Louis (Mo.).

All three of the defendants were in court when sentence was pronounced and notice of an appeal to the court of appeals of the District of Columbia at once was filed. Gompers being released on \$5,000; Mitchell on \$4,000 and Morrison on \$3,000. In addition to the wife and daughter of Gompers, there were present a number of local labor leaders, and others who were attracted by the notice that a decision in the famous case would be announced today. Mr. Gompers' family were affected.

With tears coursing down his own cheeks, President Gompers heard the order of the court which condemned him to prison for a year. Both Mitchell and Morrison seemed stunned by the sentence, although Mr. Mitchell appeared to be the least concerned.

Asked if he had anything to say why sentence should not be pronounced, President Gompers declared that he had not consciously violated any law. There was much he would like to say, he said, but he could not do it at that time. He added, however, that "this is a struggle of the working people of our country and it is a struggle of the working people for their rights. It is a struggle of the ages—a struggle of the men of labor to throw off some of the burdens which have been heaped upon them; to abolish some of the laws and to secure some of the rights too long denied."

Mitchell and Morrison confined themselves to an endorsement of what Gompers had said.

A Scathing Decision.

The decision of Justice Wright which consumed two hours and twenty minutes in reading, was one of the most scathing judgments that ever came from the bench in this city. "Everywhere," the court said, "all over, within the court and out, utter, rampant, insolent defiance is heralded and proclaimed, unrefined, unscrupulous, vulgar indignity measures the litigant's conception of the tribunal due, wherein his case still pending, 'to stand hands off—until justice for this matter can be ascertained, but,' he said, 'there has been a deliberate, determined, defiant conflict perpetrated in the light of open day, between the decrees of a tribunal ordained by the government of the federal union and the defiance of other federation grown up in the land. One or the other,' he declared, 'must succumb for those who would unlaw the law are public enemies.'

Whether President Roosevelt will take any action, as he has been urged to do in telegrams received from different labor organizations throughout the country, relative to Judge Wright's decision, has not been decided, it was said, at the White House today. It was explained there that the president has not read the decision and therefore cannot say if he will take any action. It was hinted, however, that some action might be taken if he is convinced that the sentence is unjust, if it is affirmed upon appeal.

The various labor organizations in protesting to the president against the sentence urge him to prevent the incarceration of the labor leaders. The Illinois United Mine Workers sent this telegram, signed by President John H. Walker, the vice-president, secretary-treasurer and members of the executive board: "In the history of 25,000 mine workers in Illinois, we desire to protest against the recent decision committing to penal servitude those great commoners and representatives of the American labor movement, Samuel Gompers, John Mitchell and Frank Morrison. They may be guilty of a breach of law, but a law that denies the use of a free press and full speech is a breach of the fundamental principles of our country. Such decisions only tend to create enmity and class hatred. We respectfully solicit your influence to prevent the incarceration of these men."

Dr. McNally Leaving Fredor cot.

Fredor cot, Dec. 23.—(Special)—Dr. Geo. J. McNally today announced his intention of leaving Fredor cot. He will go to Berwick, Kings county (N. S.), and will continue the practice of his profession there. Dr. McNally leaves next Tuesday, accompanied by his family.

Freeport Man Breaks an Arm.

Dighton, N. S., Dec. 23.—(Special)—Garfield Thurber, a boat fisherman of Freeport, broke his arm yesterday while endeavoring to start a gasoline engine.

PUGSLEY REPROVES POWELL IN CENTRAL INVESTIGATION

Minister of Public Works Gives Full Explanation of Transactions

In Spite of Interruptions He Insists on Going Fully Into Matters Brought Up by Counsel's Questions—An Interesting Session—Inquiry to Be Continued.

Thursday, Dec. 24. Of these large sums of money, witness said he did not think his record as a public man had anything to do with the inquiry. His constituents were the ones to judge as to whether he had done his duty.

The question was dropped. Asked if he had consulted any books of the company in settling the claims of Barnes and others, witness said he thought he had looked over some books but could not remember what they were. There was some discussion as to whether certain items of charges against the company would appear in the books. Mr. Barnhill claimed they would not appear.

After some further discussion and questioning as to the books he had examined Mr. Copp was excused and adjournment was made until 2.30 in the afternoon.

Afternoon Session. The inquiry was resumed at 2.45 p. m. While awaiting the arrival of Dr. Pugsley, Mr. Powell was asked to explain the C. P. R. train being two hours late. Mr. Powell asked the commissioners if they desired any further explanation of the statement of accounts he had submitted.

Witness had expressed some doubt on the floors of the house as to the advisability of taking over the railway. He had been given to understand there would be little further expenditure. He thought the road was taken over before July, 1905, and it was before that that he had acted in the land claims.

Claims had been made which were considered excessive and he had been instrumental in cutting down the amounts. The largest claims were the Barnes Construction Company and the People's Bank of Fredericton. He had received \$800 for his services.

In settling the Barnes' claims he had nothing to do with anyone except Mr. Barnes and Mr. Babbitt. He had not consulted E. G. Evans, engineer of the road.

At the time he conducted negotiations with Mr. Barnes, there was a Mr. Evans, bookkeeper for Mr. Barnes, present. One of the items of the Barnes' claim was the building of a shack for the men. He had not been given an estimate of the cost of the shack, but thought Mr. Barnes had been given \$5,000 in settlement of his claim. He did not look into the payroll, cost of material, etc., though Mr. Babbitt had received a cheque from Mr. McAvity.

To Mr. Powell he said he had received \$50 for expenses and afterwards the \$500 for his services. He had also made a trip to Ottawa in connection with an endeavor to have the subsidy increased. He had been paid \$500 for this trip and subsequent work in connection with it.

He had at a later date gone to Ottawa in connection with the subsidy and to arrange for buying some steel bridges. He had also made a trip to Ottawa in connection with the subsidy and to arrange for buying some steel bridges. He had also made a trip to Ottawa in connection with the subsidy and to arrange for buying some steel bridges.

Mr. Powell asked if there was any legal service involved in this visit to Ottawa. Witness thought there was.

Mr. Powell—"I cannot say just now." Witness produced letters he had received from Mr. McAvity in connection with these works.

He had received in all \$1425 for his services. He believed that at that time the government owned the railway and that Senator King and Mr. McAvity were commissioners for the government.

Before going to Ottawa he had consulted the attorney general. He had given him no statement of the cost of the 15-mile section.

Witness said he possessed a general knowledge of the affairs of the road. Mr. Pugsley, who was in Ottawa at the time, went with him to interview Mr. Shannon, accountant in the railway department. Mr. Pugsley had a statement of the cost of the road.

Mr. Powell asked witness what statement he had to support his claim for a subsidy of \$48,000 from the federal government. Witness replied that he had relied on Mr. Pugsley to present the statement of cost.

The claim of J. J. F. Winslow, secretary of the company was one of those submitted to Mr. Copp. The balance Winslow claimed was \$1,835.86, after payment had been made at that time. The account was settled, he thought, for about \$900 or \$850. This was after July, 1905.

An item of \$800 in the receiver general's account paid to J. J. F. Winslow on Oct. 13, 1905, he thought would be the settlement of this claim.

SOME BIG FIGURES ABOUT CANADA'S CROPS THIS YEAR

Total Value was \$432,533,000—New Brunswick Contributed About \$12,000,000 of it.

(Special to The Telegraph.)

Ottawa, Dec. 23.—According to a statement issued today by the census and statistics office an area of 27,305,083 acres of field crops in Canada has yielded a harvest which computed at average local market prices has a value of \$432,533,000.

The total value of the wheat harvest in the Northwest province is the highest in the history of the Dominion \$18,804,000. The value of field crops in Prince Edward Island is \$9,408,000; in Nova Scotia, \$20,083,000; in New Brunswick, \$12,042,000; in Quebec, \$80,886,000; in Ontario, \$185,348,000; in Manitoba, \$58,689,000; in Saskatchewan, \$37,914,000, and in Alberta, \$14,223,000.

The average value of field crops in the Dominion computed on an estimated population of 6,240,000, is \$62.24 per head. Fifty per cent of this year's wheat crop, 72 per cent of the oats and 68 per cent of barley remained in the farmers' hands at the end of November.

The condition of the new crop of fall wheat at the same time was 75 per cent of a standard and 73 per cent of fall ploughing was completed.

ONTARIO BANK SHAREHOLDERS AFTER DIRECTORS

Suits for More Than \$1,000,000 Against Them for Negligence Which Caused Failure.

Toronto, Dec. 22.—Three former directors of the Ontario Bank are today before a special examiner in connection with the failure of the bank.

Actions were launched against George J. Babbitt, president of the bank, and two other directors to recover more than \$1,000,000. At the conclusion of the evidence, the committee appointed by the shareholders will secure the assistance of a well known lawyer in an advisory capacity, as to whether negligence against any or all the former board of directors can be proved.

Mr. Babbitt, who was president of the bank from 1902 to 1907, and who was succeeded by R. R. Cockburn, Donald Mackay, R. D. Perry, Richard Harcourt, Rufus Grass, Thomas Walmesley and John Flett.

STANDARD OIL CO. OUSTED FROM MISSOURI

Court Fines It and Two Subsidiaries \$50,000 Each and Prohibits Them Doing Any Further Business in State

Jefferson City, Mo., Dec. 23.—Declaring today that the Standard Oil Company of Indiana, the Republic Oil Company of Ohio, and the Waters-Pierce Oil Company of Missouri, conspired and combined to monopolize the oil business in Missouri, the state Supreme Court issued a decree ordering all three corporations from the commonwealth and fining them \$50,000 each.

The decree against the Waters-Pierce Company is tempered by the proviso that it may continue in business if, by Jan. 15, 1909, it can show to the court that it has taken steps to operate as an independent concern and has satisfied the judgment against it. The other companies are given until March 1, 1909, to wind up their affairs in the state.

The decision, which was unanimous on the part of the seven judges, is so sweeping that Attorney General Hadley and Governor Folk hail it as the end of alleged illegal commercial combinations in Missouri and the former assets that in conjunction with the decision of the Supreme Court of the United States in the so-called tobacco trust case, it will affect similar cases in other states.

Attorney General Hadley, who has prosecuted the Missouri case since its inception in March, 1905, will become governor in less than a month and then will be charged with the enforcement of the decree issued today.

The attorneys general followed the decree of the court with a statement in which he asserted that attempts had been made to compromise the suit. "At least three efforts have been made by attorneys for the oil companies to get me to compromise the case," he said, "and I refused their offers. The proposals were entirely legitimate."

ONLY AFTER OFFICIALS IN MARINE INQUIRY

WANTS BATHURST AS SHIPPING PORT

O. Turgeon, M. P., Anxious to Have Drummonds Ship Iron Ore That Way

SEES GOVERNMENT

Laurier and Pugsley Promise Careful Consideration of Gloucester County Member's Plea for Improvements to Aid Transportation of Mine's Output.

(Special to The Telegraph.)

Ottawa, Dec. 23.—The development of the iron industry in Gloucester county is occupying the attention of the government by reason of an interview which O. Turgeon, M. P., had with Sir Wilfrid Laurier and the minister of public works during his visit here. Mr. Turgeon dwelt upon the necessity for harbor improvements at Bathurst to afford accommodation for the shipment of the iron ore from the mines of the Drummond syndicate which are situated twenty-five miles from Bathurst.

The Drummonds have under consideration two ways of reaching tidewater, one by a line to Bathurst, the other by building a line two miles in length from the mines to Red Pine in the I. C. R., and carrying the ore thence forty miles to Chatham—a total railroad haul of sixty-two miles.

Mr. Turgeon very strongly urged the advisability of the government undertaking the improvement of Bathurst harbor by dredging and wharf building. He referred to the vast extent of the deposits of ore and to the proposed shipments which would average 2,000 tons a day, and pointed out that the wharfage dues from this would pay for a reasonable interest charge on the necessary expenditure for improving the port. His idea is that the successful development of the great industry necessitates easy access to a port of shipment and that the short rail haul to Bathurst would be much more advantageous than the longer haul to Chatham, which would impose a heavier burden on the industry. Sir Wilfrid and Hon. Mr. Pugsley have promised to give the matter the most careful consideration.

CHANGES ON I. C. R. IN A FEW MONTHS

Hon. Mr. Graham Intimates There Will Be New Basis of Management.

(Special to The Telegraph.)

Toronto, Dec. 23.—In the course of an address on "Development of Railways and General Transportation Facilities in Canada," Hon. C. J. Graham, at the banquet of the Commercial Travellers' Association here tonight, made reference to the future of the Intercolonial Railway.

In a few months he intimated the basis of management of the railway would be changed. He was not for obvious reasons, able to say more than that.

Interviewed by newspaper men after the banquet Mr. Graham said at present he could not further enlighten the public on this matter.

At the same event Hon. Mr. Hanna, provincial secretary, stated that at the next session of the legislature the government would introduce and pass a measure to compel every hotel in the province to provide proper sanitary arrangements and fire escapes.

CLOSURE LIKELY TO BE ADOPTED

New Rules of Debate on Lines of British Parliament Probable for Ottawa House.

Ottawa, Dec. 23.—(Special)—It is anticipated here that the closure will be introduced at the coming session of the Canadian House of Commons. It is believed that the rules of debate will be changed along the lines of the British model. This will permit of the termination of debate after there has been a reasonable amount of discussion, and will overcome any attempt at partizan obstruction.

It is felt that this course will be necessary in order that the business of the country may be transacted with something like the celerity which marks the conduct of affairs in the British House of Commons.

Cold Weather at Chatham.

Chatham, N. B., Dec. 23.—(Special)—Today was the coldest of the season. At 10 o'clock this morning the thermometer registered 17.2 degrees below zero and there has been little variation all day.

Scope Misconstrued, Says Judge Cassels

Investigation Completed Yesterday, But P. E. Island and British Columbia Needs Probing, Too, Says Court, Gourdeau and Spain on Stand Again.

(Special to The Telegraph.)

Ottawa, Dec. 23.—The enquiry by Justice Cassels concerning the affairs of the department of marine and fisheries was concluded this evening and it is expected that the report will be ready for presentation to parliament shortly after its assembly next month. The commission began its sittings last May and continued into June, taking a vacation in September, and lasting until today.

This afternoon G. H. Carter, of the Bank of Montreal, which has taken over the People's Bank, said the supplementary cash book had been found last night. He was informed that on the 17th of June there was a check for \$1,000 against two checks had been found yet.

Thos. McConkey, of Quebec, asked to be recalled to state that he got \$200 from Darro & Son for work done outside the department. He had no idea of doing wrong.

Captain Spain was taken through his very much involved accounts but could only say that he was mistaken in the dates when he charged up railway fares on certain dates to places where he was proved not to be. He could give no other explanation though much questioned by counsel.

Jean Tremblay, clerk at Sorel, stated that Louchard, Montreal agent, told him that he had given Col. Gourdeau \$190.

James Buckley, of Prescott, said he had shipped last June a carload of coal to Col. Gourdeau and had got the money. Today he said J. E. Fraser also got a supply from him, which was paid for.

Col. Gourdeau said he knew nothing of the fyles being tampered with. The minister's attitude toward the fyles was a favor to his case. He explained the ill-fated transactions and gave evidence directly opposed to that which was given in the last session. This was remarked to him by counsel.

Judge Cassels stated that the department matters were not all clear up. He said British Columbia and Prince Edward Island, but it was plainly necessary to go there. The reference, said his lordship, would be to the department agent at the time of the fyles, and his commission was greatly misconstrued. He was asked to ascertain who were the officials guilty of the charges implied in the original report. If any good resulted from the enquiry, to Mr. Watson and Mr. Pearson would be the credit.

J. M. Godfrey, counsel for J. E. Fraser, said he was allowed to send in a statement by Mr. Fraser regarding the case. The judge said he would look over it but would not be allowed to consider it in the making of his report.

This concluded the enquiry. Files Tamped With.

In the Cassels inquiry this morning Mr. W. N. Noble, who succeeded Mr. J. E. Fraser as the department agent at Sorel, and is now assistant commissioner of lights, was questioned as to buoy logs sent to Halifax which Mr. Parsons objected. Mr. Noble recalled being taken from Mr. Parsons as to the cost, but Mr. Parsons protested against so many Wilson buoys being sent and charged to the Halifax account.

Mr. Watson—"Can you explain why these buoys were sent without orders despite the protest and without plans to be destroyed?"

Mr. Noble—"I can't explain."

The statement regarding the Canadian flag Signal Co. business was taken up. It showed a sale to the department in three years of \$329,919.

W. V. Stumbles, of the marine purchasing branch, was examined as to the destruction of fyles. Mr. Watson said that he heard that fyles of the department had been taken to a store room in the basement, that J. E. Fraser, Col. Gourdeau and W. V. Stumbles had gone into that room and the fyles had never come out, the presumption being that they had been destroyed.

Mr. Stumbles declared that he had not been in the room in question for three years. He had no recollection of the fyles and had never heard of Mr. Fraser or Col. Gourdeau destroying any.

J. E. McClelland, who had charge of the fyles, said he had not given J. E. Fraser any fyle after that official had been suspended. He had heard a rumor that fyles had been taken from the commissioner of lights' branch to the basement to the room where J. E. Fraser had access to them. He had not heard of any fyle being destroyed. He had not given a fyle which was with Mr. Fraser for a long time. When the minister finally got it back, there had been additions to it of documents which were never given through the records of the branch. There did not seem to have been any taken away. There might have been a dozen or more fyles to which additions had been made.

Perey White, clerk in the commissioner of lights office, said that after J. E. Fraser had been suspended he had come into the office and obtained the fyles which the civil service commission had used. White took them to the store room in the basement and spent a day and a half with Fraser going over the fyles and checking with the commissioner's report. He heard of no mutilations or additions to the fyles.

A. J. Allen, bookkeeper of the Willard Coal Company, Prescott, was examined as to the reduction of a bill for coal sold Mr. J. E. Fraser, admitted the reduction was made because Mr. J. E. Fraser was giving the firm large government orders.