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DUGAL CHARGES PREMIER FLEMING WITH EXTORTING \$100,000 FROM LUMBERMEN

Sensational Allegations Made in Formal Resolution in Legislature

Charges That Blackmail was Collected by Wm. H. Berry for Premier at the Rate of \$15 a Square Mile to the tune of a Hundred Thousand and Demands Special Committee of Inquiry—What Will the Lieutenant Governor and the Government Do Today?

(Special to The Telegraph.)

Fredericton, April 6.—Hon. James Kidd Fleming, Premier and Minister of Lands and Mines for the Province, was formally charged by Louis Auguste Dugal from his seat in the House this evening with having been a party to the extortion of about \$100,000 from those holding timber limits. Mr. Dugal charges that this money was not paid into the revenue of the province.

Mr. Dugal's resolution, of which he gave notice for Thursday next, recited the facts in a general way, connecting the chief superintendent of scalers, W. H. Berry, with the collection of this huge sum of money, and asked for an investigation by a committee of the House.

Mr. Dugal's formal notice of motion was as follows:

I beg leave to give notice that on Thursday next I will move, seconded by Mr. Pelletier, the following motion, namely:

Whereas, Louis Auguste Dugal, a member of the Legislative Assembly of this province for the county of Madawaska, has from his place in the House this day formulated certain charges against the Honorable James Kidd Fleming, Premier, and Minister of Lands and Mines, which he claims to be true and believes to be true, and which he claims to be true and believes to be true, and which charges are:

That the said Honorable James Kidd Fleming, through the agency of William H. Berry, Chief Superintendent of Scalers of the Crown Land Department of this Province, and under the direct control of the said Honorable James Kidd Fleming, in the year A. D. 1913, did unlawfully extort from divers large lessees of Crown Timber Limits within this province, a sum of fifteen dollars per square mile of their said timber limits, over and above the amount of bonus paid by them respectively as set forth in the fifty third annual report of the Crown Land Department of the Province of New Brunswick for the year ending the 31st day of October A. D. 1913, in pages 23 to 27, there of, both inclusive, which said amounts so unlawfully extorted from said lessees amounted in the whole to the sum of about one hundred thousand dollars, no portion of which sum was accounted for or paid into the revenues of this province, and said moneys were extorted from said lessees, and paid to the said William H. Berry, with the knowledge and consent, and under direction of the Honorable James Kidd Fleming, while occupying the said offices of Premier and Minister of Lands and Mines, and all of said moneys were so paid before the said lands were classified under the provisions of chapter seven of the Statutes of New Brunswick for the year A. D. 1913.

Therefore resolved: That a committee of the House, consisting of seven members, be nominated by Mr. Speaker to examine into the said charges, and to report whether they find the said Honorable James Kidd Fleming guilty of so directing the extortion of said moneys by the said William H. Berry, then what disposition did he make thereof, to whom the said moneys were paid, as well as the ultimate destination of all of said moneys, and that the said committee have power to call for papers and documents and to summon and examine witnesses under oath, under the provisions of Chapter 5 of the Consolidated Statutes of New Brunswick A. D. 1903; and

Further resolved: That said committee do proceed with such investigation until they have fully investigated such charges and reported upon the same to this House.

RECEIVED IN SILENCE.

The charges were read by Mr. Dugal amid intense silence. They were not news to some of the members, but the most of those present were visibly surprised and astounded. No charges of so grave a character reflecting upon a leader of a provincial government have ever been preferred in all Canada. The charges are said to be the result of an investigation extending over a long period. The facts are alleged to have been known to many lumbermen for some months, and the only wonder is that they have kept quiet so long.

At last, however, the silence seems to have been broken in different parts of the province, and it is now said that the men who have hesitated to tell the story are ready to speak.

If Mr. Dugal's charges are proven this lumber bonus blackmail of the Fleming government will remain long in the minds of men. Never in the history of a province has its chief industry been subjected to such treatment; but there has been so much talk of irregularities in connection with the present administration that even these serious charges formally preferred will not shock the public as they would otherwise. Many of the government's supporters have felt that all was not right and have predicted Premier Fleming's early resignation and retirement.

Before Mr. Dugal's resolution became known the Premier's vacation was foreshadowed in an announcement in the Gleaner tonight, which indicated a long holiday, an ocean trip, ill health, and the duties of premier being carried on by Attorney General Clarke in his absence.

Under the heading "Premier Fleming to Take Long Rest," the Gleaner, the official organ of the government, says:

"It is understood that Premier Fleming, who suffered a severe attack of stomach trouble about three years ago, from which he has never fully recovered, will probably ask for two months leave of absence soon after the prorogation of the legislature. The premier's

health has not been good for the past four or five months, and his physicians have advised a rest and an ocean trip. He will probably go abroad for two months and while away will doubtless consult specialists as to his stomach trouble.

"It is altogether likely that Hon. George J. Clarke, attorney general, will be acting premier during the absence of Hon. Mr. Fleming."

THE NEXT STEP

There must be a searching investigation of such a serious charge, and the evidence of some of the most prominent men in the province, who will be asked to tell the story of how the money was demanded and to whom it was paid, will clear the air so far as these most serious allegations are concerned.

There have been two previous occasions in recent years when opposition men made charges from their places in the House. In 1892, A. A. Stockton, also a leader of the opposition, addressed a memorial to the governor of that day, Sir Leonard Tilley, asking for a royal commission. The reply of Sir Leonard, which is found in the journals of 1892, speaks of the course that should be pursued. That course was followed by Mr. Hazen in 1900, when in opposition, when he made charges and had an investigation in the matter of the steel bridges, and the same procedure was followed by Mr. Dugal this evening in making his charges.

The Timber Bonuses

It should be understood that while the Province collected from the crown land operators in bonuses last year the sum of \$255,335.76 this represents only about one-third of the money that will be derived from the bonuses, for some of the larger operators paid one-half in cash and some of the others paid only one-quarter in cash and gave twelve months notes at five per cent for the remainder of their half payment.

The report of the Crown Land Department for the year ended October 31, 1913 fully explains the manner in which this money was obtained. In that report Mr. Fleming, Minister of Lands and Mines explained the matter as follows:

A constant demand had been made by lessees during the last few years that the Department should disclose some policy with regard to the future disposal of the Crown lands and while many projects were put forward by the lumbermen, none of those had the approval of the Government, whereby the public would receive a fair return for the granting of these valuable privileges.

I was fairly convinced the lessees were making a reasonable request even five years before the expiry of the old licenses (last August 1913) when they asked to have a future tenure fixed, in order to afford a guarantee for the large amount of capital invested in the lumber industry and particularly to afford security to the Banks and Trust Companies who are called upon to make large advances in the carrying on of the lumber business.

How the Money Came

We therefore brought into existence the Saw Mill License which provided that every lessee would have the right to renew his license for a period of 20 years, provided he agreed to pay a reasonable bonus according to the value of the land and also agreed to pay a revised rate of stumpage and millage as might be fixed from time to time by the Lieutenant-Governor-in-Council. To arrive at this valuation I took the best means at my disposal to have the lands placed in four classifications, viz. A, B, C, D, the respective bonus rates being \$100 for Class A, \$75 for Class B, \$50 for Class C and \$20 the present upset price for Class D. While I do not claim the classifications made were perfect, I do maintain that, as a whole, an equitable arrangement was made and satisfactory to the whole to the lumbering community of the Province.

Under the provisions of the Bill I have taken steps to procure a more detailed classification of the public lands to be completed by the 1st August 1917, setting aside the tracts suitable for agriculture and segregating the lands only fit for the growth of lumber.

The provisions of the Bill respecting Pulp and Paper Licenses will appeal to every fair-minded person as legislation in the interests of the Province whereby fifty per cent of the lumber cut under this class of license must be manufactured into Pulp and Paper in New Brunswick.

Results of the Bill

Out of a total quantity of 10,477 1/2 square miles under license last year, 9,654 1/2 square miles have been renewed under the Saw Mill License, 816 square miles have been renewed under the Pulp and Paper License and 377 square miles were renewed under the Old Act which expires 1st August 1918, when the latter licenses will be put up for sale or otherwise dealt with as the Lieutenant-Governor-in-Council may decide.

The outcome has certainly been very gratifying to the Government and settles one of the hard problems of the past.

Owing to the stringency in the money market and in order to make the provisions of the Bill less onerous to the licensees I saw fit to divide the one half payment due on August 1st 1913 accepting one half of the bonus in cash and the other half by note at five per cent, payable 1st August 1914. This arrangement was largely accepted and appreciated by the licensees. Considerably more than half has been paid in cash.

The Crown Land Sinking Fund

As foreshadowed in my last report I have decided to place in a sinking fund all moneys received from the sale of soil right land, together with the bonus received on timber licenses. Accordingly the sum of \$271,720.69 has been so set apart, not including the instalments received from applicants in the Blue Bell Tract and other lands acquired from the New Brunswick Railway Company which are also placed in a separate sinking fund.

On page 23 of the crown land report for 1913 a complete list of those who paid the bonuses, together with the amounts they paid, is given, as follows:

BONUSES ON TIMBER LICENSES FOR YEAR ENDED 31ST OCTOBER, 1913.

Name	Sq. M.	Amount.
Alexander, Charles A. and John	31	\$412.50
Bailey, F. W.	2	10.00
Bailey, L. J.	2	20.00
Barnford Bros.	14	152.50
Bank of Montreal	72 1/2	881.25
Bank of Nova Scotia	120 1/2	2,762.50
Bank of Nova Scotia and Geo. B. Dunn	26	375.00
Bank of Nova Scotia and Prescott Lumber Co.	36	675.00
Bank of Nova Scotia	15	562.50
Barker, George J.	10	187.50
Berry, J. H. Trustee	15	281.25
Bathurst Lumber Company	82	22,600.00
Bathurst Lumber Company and Lonsdale Lumber Co.	16	300.00
Bell, Alexander	2	20.00
Billet, Campbell and Greenfield	130 1/2	2,446.87
Brown, Stirling	2	20.00
Burdley, D. J.	42	787.50
Burgie, Michael	2	20.00
Burchill, J. P.	141 1/2	3,537.50
Canada Iron Corporation	4	150.00
Carahan, W. A.	3	30.00
Champon, David	29 1/2	625.00
Chapman, A. C.	3	96.25
Clark, R. Corey	8 1/2	212.50
Clark, Skillings & Co. and The Royal Trust Co.	2	50.00
Corey, Jason A.	6	45.00
Colligan, J. and A.	36 1/2	44.37

Comberland, J. A.	2	20.00
Dalhousie Lumber Company	423 1/2	21,154.00
Davidson, A. A.	19 1/2	243.75
Davis, C. B.	19 1/2	487.50
Demerchat, Amos	2	20.00
Dick, Harris Est. of	2	50.00
Dunham, J. C.	3	30.00
Dunham, James	3	172.50
Duffin, John S.	3	35.00
Eastern Trust Company	137	2,743.75
Eastman and Powell	4	40.00
Fowle, F. A.	2	20.00
Fowle, George Estate of	4	40.00
Fraser, Limited	122 1/2	1,950.00
Gill, Thomas	12 1/2	156.25
Glovesater, Lumber & Trading Company	2 1/2	62.50
Goodwin, Fremant	7	131.25
Gregory, A. J.	3	56.25
Hanson, David	2	20.00
Hennessy, P.	8	200.00
Hickman, C. S.	40	750.00
Hildebrand, Otto	2	50.00
Hinch, J. J.	5 1/2	206.25
Hogan, Edward	2	62.50
Hogan, Peter	2	50.00
Holmes, Howard W.	5 1/2	68.75
Holmes, James H.	4	150.00
Holmes, James and J. H.	3	75.00
Holmes, J. H. and Son	12 1/2	312.50
Inglewood Pulp & Paper Company	42	525.00
Irving, J. D.	19	356.25
King Lumber Company	18 1/2	161.63
King Lumber Company	119	4,332.50
Little, Guy	2	50.00
Lockhart, C. R.	12	150.00
Lockhart, L. E. D.	2	25.00
Loggie, A. and R.	13	325.00
Lonsdale Lumber Company	133	2,493.75
Marsden, Hills R.	2	20.00
Miller, R. J.	1	100.00
Miller, W. H.	6 1/2	1,587.50
Miller, W. P.	6 1/2	81.25
Misanich Lumber Company	610	30,500.00
Montgomery, W. S.	2	75.00
Moore, John R.	23 1/2	331.25
Moore, J. E. and W. W. White	13 1/2	506.25
Moore, J. E. and W. W. White	36 1/2	1,348.75
Morsehead, Phileas	6 1/2	81.25
Morsehead, Phileas	28	2,200.00
McCartney, Duggan	2	50.00
McElroy and Murelle	2	50.00
McElroy, F. H.	2	25.00
McElroy, M. A.	5	37.50
McElroy, M. A.	2 1/2	12.50
McLaren, Lawrence, Trustee	48 1/2	12,187.50
McMillan, William	2 1/2	12.50
McMillan, C. Ltd.	15	462.50
McNish, J. A.	7 1/2	62.50
Nielson, Lydia L. and J. H. Nielson	2 1/2	62.50
O'Brien, John	3 1/2	656.25
O'Brien, John Estate of	3 1/2	131.25
Parsons, Edward	21 1/2	10,518.75
Partridge, Edward Pulp & Paper Co. and J. Robinson	9 1/2	237.50
Peck, John L.	2	50.00
Peck, Lumber Company	23	575.00
Prescott Lumber Co.	41	1,025.00
Powrie, J. Asst. Secy.	5 1/2	137.50
Prescott, Joshua	12 1/2	468.75
Prescott Lumber Co.	89	1,648.75
Randolph, A. F. & Sons	10	100.00
Randolph, A. F. & Sons	180	3,093.13
Randolph, A. F. & Sons	7	262.50
Read, Gordon	2	20.00
Read and Westworth	4	50.00
Richardson, John & Sons	4	100.00
Richardson Manufacturing Company	538 1/2	13,462.50
Ritchie, Allan	32 1/2	812.50
River Valley Lumber Co.	46 1/2	581.25
Robinson, John	14 1/2	357.50
Robinson, James	154	3,362.50
Royal Bank of Canada	614	17,100.00
Royal Bank of Canada and Lawrence McLaren Trustee	6	268.75
Royal Bank of Canada and Royal Trust	17	177.87
Royal Trust Company	684	15,378.75
Royal Trust Company and A. A. Davidson	5	31.25
Royal Trust Co. and Bank of Nova Scotia	12	112.50
Russell, James	15	156.25
Saunders, D. W.	2 1/2	62.50
Sanson, David	8	100.00
Sayre, F. E.	21 1/2	537.50
Sayre & Holly Lumber Co.	378 1/2	11,100.00
Scrivener, George, Jr.	4	40.00
Sheelin, E. M.	1 1/2	230.00
Smith, B. F.	2	20.00
Smith, E. A.	3	30.00
Smith, E. J. Estate of	4	100.00
Smith, J. B.	6	112.50
Snowball, J. B. Company	21 1/2	537.50
Speight, Willis	4 1/2	168.75
Stetson, Gurley & Company	47 1/2	10,212.50
St. George Pulp & Paper Company	114	1,933.31
Storey, Alex. J.	1 1/2	56.25
Storey, A. E.	4	50.00
Sullivan, Daniel	138 1/2	3,562.50
Sullivan, Dennis P.	2	200.00
Sumner & McKay	9 1/2	2,287.50
Sumner & McKay and Royal Trust Company	14	116.67
Sumner, F. W.	2	20.00
Sutherland, J. T.	4	20.00
Swin, F. D.	10 1/2	131.25
Sydney Lumber Company	78	1,950.00
Thomas, W. W.	102 1/2	3,843.75
Thompson, Percy W.	7 1/2	187.50
Thorn, J. D.	14 1/2	36.00
Thorrott, A. McK.	5	125.00
Ticker, Michael	2	50.00
Union Trust Company	19	500.00
Upland Lumber Company	2	50.00
Val, Robert	2 1/2	62.50
Van Buren Lumber Company	2 1/2	62.50
Welch, M. estate of	34	637.50
West Alfred	192	3,696.00
White, C. T. & Son	32 1/2	812.50
White, C. T. & Son	50 1/2	1,262.50
White, S. H.	5	62.50
White, S. H. Company	57 1/2	731.00
White, S. H. Company and Alfred West	26	309.62
Wyers, John L.	10	312.25
Witherall, W. D.	2	50.00

The crown land report also shows for whom the banks, which appear in the list, were acting. This is of interest at the present time, and the information is given here:

DIVISION OF TIMBER LICENSES HELD BY BANKS, TRUST COMPANIES, ETC.

Name	Sq. M.	Amount.
Bank of Montreal	72 1/2	\$550.00
Dunham Pulp Company, Chatham	25 1/2	\$204.00
W. R. McCloskey, Estate, Bathurst	4	\$26.00
Freeman, Goodwin, Bathurst	6	\$48.00
Bank of Nova Scotia	120 1/2	\$2,762.50
J. A. Gregory, West St. John	20	\$160.00
Charles Lumber Company, Chatham	100 1/2	\$804.00
J. A. Gregory and George B. Dunn, St. John	20	\$160.00
Continental Lumber Co. and Prescott Lumber Co., New Mills	36	\$288.00
Bank of Nova Scotia	72 1/2	\$550.00
Bank of Nova Scotia	176 1/2	\$1,412.00
Guinmond, Couillard, Freres & Co. Campbellton	15	\$120.00

COMPENSATION ACT CAUSES TILT IN LEGISLATURE

Mr. Baxter's Charge of Extortionate Fees of Lawyers Hotly Resented

WOULD FIX THEIR FEE BY STATUTE

Several of the Legal Profession Up in Arms Over the Suggestion—Other Provisions in the Bill Strongly Rejected—Other Business of Last Night's Session.

Fredericton, April 6.—The House met at 8:30 o'clock.

Mr. Dugal gave notice of inquiry as to the participation of government officials in elections.

Mr. Dugal gave notice of motion for the appointment of a committee to inquire into crown land collections, and to investigate charges in connection therewith against Hon. J. K. Fleming.

Mr. Carter gave notice of inquiry as to sales of materials and supplies by J. A. Dugal, member of the opposition, to the towns of Edmundston when mayor of that town.

Mr. Fleming introduced a bill in addition to the act respecting the protection of crown land collections, and to amend the act respecting the administration of marriages, to amend the New Brunswick Railway act and entitled the Land Titles act.

Mr. Carter moved for the appointment of a committee to inquire into the advisability and cost of reopening the Government House in Fredericton, and to report at the next session.

The House went into committee with Mr. Melancon in the chair, and agreed to the bill to amend the Registry act, to amend the act establishing the board of public utility commissioners, and the bill relating to the North-Shore Railway Co., each with amendments. The bills to provide a further sum of \$85,000 to complete the New Brunswick Railway, and to make further provision for permanent bridge works of a permanent character were agreed to without amendments.

Workmen's Compensation Act.

The bill to consolidate the Workmen's Compensation act was then taken up. Hon. Mr. Clarke, in answer to an inquiry, said the bill was the result of a consolidation of the existing law and made no changes of any material importance.

Mr. Dugal took exception to the restriction which permitted only dependents residing in Canada to benefit. There were a large number of men coming over here from the old country ahead of their families to make ready a home to which they might follow, and he felt that dependents of these men should be just as much protected as any others.

Hon. Mr. Clarke agreed with this view.

Mr. Lockhart did not see why Canadian employers should provide for the wives and widows of all the world. The restriction should remain.

Mr. Baxter was inclined to agree with the last speaker. He felt that the same amount of sympathy would go out to the unfortunate wife and family, but he did not think that the compensation should be on the same scale. What would be only reasonable compensation to our own people would be a mine of wealth to Japanese, Chinese or Hindus.

Mr. Slipp wanted the bill stood over until next session until the matter could be fully considered.

Mr. Tilley objected strongly on the ground of public convenience. Any consolidation of several statutes into one general bill would be a great convenience to all.

Mr. Slipp thought that there should be a different scale of compensation for injuries to workmen living in country places than for men living in towns where the cost of living is higher.

Hon. Mr. Fleming said the amendments in the bill were only slight. The chief amendment was one that provided a minimum compensation to the family of a deceased workman of \$1,000. While he had every sympathy with employers, he felt that the additional cost they would be called upon to bear would be trifling compared to the benefit conferred on the widow and children. In the case of a man injured but not killed, the maximum amount of weekly compensation was placed at \$3 a day. The only other change in the law provided a simpler method of the workmen getting his compensation. He felt that the committee could scarcely disapprove of these amendments to the law.

Mr. Baxter said some means should be provided for keeping the legal cost down. In large number of cases the costs eat a considerable slice out of the compensations and he felt that some provision should be placed in the act whereby the costs could be fixed by the court on such a scale as would be commensurate with the compensation.

(Continued on page 6, seventh column.)

Extra No. 1 hard compound	0.00	0.40%
Premier motor gasoline	0.00	0.25%
HIDES		
Beef hides (green) per pound	0.10%	0.11
Calfskins, trimmed	0.17	0.13
Sheepskins and lambskins	0.90	1.15
Another	0.03	0.05%
Calfskins	0.17	0.38
Sheepskins	0.80	1.00

Laurier Brands N.T.R. Report False

(Continued from page 1.)

ained, but which are intricate and intentionally dishonest. No better indication of this was needed than the fact that taking the statements of the commissioners themselves it was impossible to total up the \$40,000,000 which they had asserted was "wasted."

Touching upon the Transcona shops matter, Sir Wilfrid laid further emphasis upon the fact that in his statement that the construction of these shops as part of the Transcontinental was "authorized by the law," Mr. Stanton ran counter to the opinion of the deputy minister of justice and other eminent lawyers, ran counter also to the findings of Sir William Whyte, the arbitr