

PETER SMITH ARRESTED ON FRAUD

Soviet Delegation Is Warned Not To Spread Doctrines

SMITH REFUSES TO ANSWER QUESTIONS AND IS AT ONCE PLACED UNDER ARREST ON CHARGE OF DEFRAUDING PROVINCE



FORMER TREASURER AND COUNSEL.



G. L. McHattie, Manager of the Stratford Branch of the Bank of Toronto, Tells of Numerous Deposits Made by the Ex-Cabinet Minister.

MANY OF THEM WERE IN \$500 BILLS

A. E. Nash, Assistant to the Home Bank Liquidator, Tells of Examining Smith's Account and Finding Entries of Large Denominations—Finds Note From Pepsall.

SMITH UNPERTURBED WHILE EVIDENCE IS TAKEN

Canadian Press Despatch.
Toronto, April 14.—Declining, under the advice of counsel, to make a statement or give evidence before the public accounts committee of the Ontario Legislature, Hon. Peter Smith, provincial treasurer in the late provincial Farmer-Labor government of Ontario, was placed under arrest at 2 o'clock this afternoon.

This sensational development came after Mr. Smith said that he had come to the committee-room this morning prepared to give evidence, but after hearing Messrs. Nash and McHattie give their testimony as to the transactions of his bank account in Stratford, his counsel had advised against his making any statement.

Mr. Smith's refusal to give evidence evidently took the committee by surprise. Hon. Manning Doherty, leader of the Farmer group, said he had been trying to direct the affairs of the committee so that Mr. Smith could give evidence, and had just learned this morning that he would not give evidence. "You refuse to give evidence before the committee?" said Chairman Finlayson to Mr. Smith.

"Yes."

"In view of that," said Mr. Price, "the officers of the crown will take cognizance, and the matter is out of the hands of the committee."

H. H. Dewart, former leader of the Liberal party in Ontario, is counsel for Mr. Smith.

Special to The Advertiser.

Toronto, April 14.—Hon. Peter Smith, former provincial treasurer of Ontario, was arrested today as a dramatic finale to the morning's session of the public accounts committee.

The evidence given, that his deposits coincided with payments made by the Home Bank, was the final deciding factor, and after prolonged conference between Premier Ferguson, Attorney-General Nickle, General Williams, and Deputy Commissioner Cuddy, it was decided to take the former treasurer into custody on a charge of conspiracy.

Hartley Dewart, K. C., arrived before the end of the session, and he is to be the defending counsel.

The warrant for Mr. Smith's arrest was made out by Assistant Police Commissioner Cuddy. Mr. Smith was taken to the attorney-general's office immediately the session closed. Scores of people stood in the lobbies awaiting news. There was a running to and fro of police officers.

Mr. Dewart, counsel for the former provincial treasurer, came out several times looking for someone, but refused to answer questions. Mr. Smith, in committee, simply announced quietly that he refused to give evidence on advice of his counsel and after hearing the evidence of the morning in which it was shown that there were many deposits to his bank account in legal.

Hon. Mr. Price said that the matter was out of the hands of the committee and the police would take cognizance. There was a little more talk about the meeting of the committee tomorrow and it broke up.

Members of parliament, a large crowd of curious people and batteries of camera men and newspaper correspondents stood around the lobbies outside the attorney-general's office, where Mr. Smith was closeted with his counsel and the crown officials.

No further information had come out at 2:15.

The committee will make an interim report to the House this afternoon. Sessions of the committee will be held tomorrow and the following days to clean up the investigation.

Special to The Advertiser.
Toronto, April 14.—That Hon. Peter Smith deposited at various intervals during periods between December, 1919, and October, 1923, in the Bank of Toronto, Stratford, large sums in legal tender, \$1,000 and \$500 bills, that he also deposited on March 3, 1924, a note for \$6,250 from A. H. Pepsall, and that he placed to his account on July 28, \$1,500 in large bills, when on July 28, \$1,500 had been taken from the Home Bank's commission accounts, were facts brought out at today's sitting of the public accounts committee.

While provincial police patrolled the corridor outside the committee, heard A. E. Nash of the firm of Clarkson & Co. tell of his investigation of the ex-treasurer's bank account, and L. G. McHattie, manager of the Stratford branch of the Bank of Toronto, verified Mr. Nash's statement.

Smith Unperturbed.
Hon. Peter Smith sat unperturbed as item after item of his private bank account was revealed, and Mr. Nash, the auditor, on the stand, said that he was only bringing to the attention of the committee deposits and transactions which he considered might have some political significance.

Mr. Nash told of a note from A. H. Pepsall for \$6,250. Hon. Mr. Price noted that it was the same date as the note which was the subject of the charge against him. Please see page 2, col 5 and 6.



ORDERED SMITH'S ARREST.

Following Peter Smith's refusal to face the public accounts committee Premier Ferguson held conference with Attorney-General Nickle, General Victor Williams, commissioner of provincial police and Assistant Commissioner Cuddy. The former treasurer's arrest followed at once.

PINCHOT PLANS FOR PRESIDENCY

Governor of Pennsylvania Believed Ready To Launch Drive For Position.

Associated Press Despatch.
New York, April 13.—A special to the Herald Tribune from Washington declares there is a strange political battle going on under the surface in the clash between President Coolidge and the senate investigators.

The feature of this undercurrent of politics is the ambition of Clifford Pinchot, governor of Pennsylvania, to ride into the presidency on the prohibition issue. Mr. Pinchot has admitted that it was he who suggested Francis J. Henri as counsel for the committee investigating the internal revenue bureau of the treasury department. This, according to the "Herald Tribune" correspondent, is regarded as indicating the Pennsylvania governor indirectly intended an assault upon Mr. Coolidge through the members of his administration.

The correspondent declares that there is a belief in Washington that Pinchot through the Mellon investigation hoped to bring out sensational evidence regarding violations of the dry laws and thus injure Coolidge and make capital for himself as the champion of the drys.

DR. COLLING IS CHOSEN MIDDLESEX CORONER

Order-in-Council Approving the Appointment Signed by Lieutenant-Governor.

Dr. John F. D. Colling of Lambeth has been appointed a coroner of Middlesex County and will take over the duties in that connection which were held by the late Dr. G. A. Rutledge of Lambeth.

An order-in-council approving the appointment was signed by the lieutenant-governor on April 3 upon the recommendation of the attorney-general.

Dr. Colling has been practicing at Lambeth for several years and his appointment as coroner will be noted with satisfaction by a large circle of friends.

WORK ON HYDRO LINES WILL BE STARTED SOON

Township Construction Should Be Under Way by End of Month.

W. S. Laidlaw, reeve of Westminster Township, states that work on hydro lines in the township will again commence at the end of the month. The gang of men which will string up several miles of wire in Westminster is working in the neighborhood of Dundas and will move back to this district once their work is completed there.

Mr. Laidlaw states that one new line will run east on Brick street from the Wharfcliffe road, and it is hoped that residents of Brick street west of Wharfcliffe as far as Springbank Park will sign sufficient contracts to enable the line to be extended in that direction.

COLUMBUS POLICE ARE AWAITING NEXT MOVE

Officials Have No Trace Yet of Pat Norton or William Murrell.

GET TWO TELEGRAMS

Chief Birrell Denies Any Action Taken by His Department.

The chief of police at Columbus, Ohio, is still awaiting word from Ontario police authorities before he makes any move to apprehend the men said to be Pat Norton and Bill Murrell, who, it is thought, are working in a Columbus automobile factory.

"I don't know at what factory these men are supposed to be working," the chief told The Advertiser over a long distance telephone this afternoon. "I received wires last night from the London police, asking me to hold these two men, but I have no idea where they are working or what they look like. Once we have any information to go on, we will round them up as quickly as possible. That's all I can tell you for the present."

Chief of Police Robert Birrell denies sending any telegrams from London.

"I heard about the matter this morning," the chief stated. "All I know about it is what I have read in the papers."

It is presumed that the telegrams were despatched to Columbus by provincial police authorities, who received the "tip" from a man in Toronto.

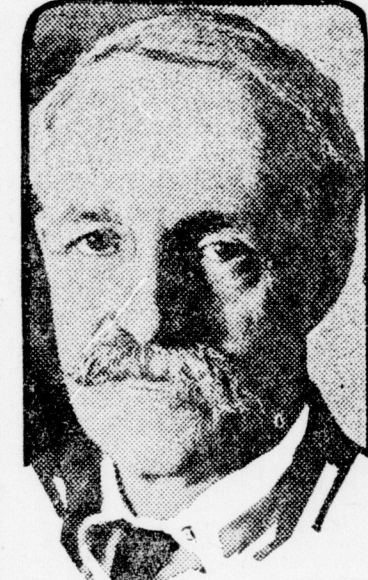
Inquiry this afternoon at the office of Deputy Provincial Police Commissioner Alfred Cuddy brought forth the information that no steps had yet been taken in the matter by the provincial police.

The Toronto report stated that "their informant," while in Columbus, encountered Norton and Murrell quite by accident. Having known them in the past, he recognized them at once, it is explained.

The informant goes on to state that in conversation with Bill Murrell regarding the recent hanging of brother Sidney, Murrell had said he had contemplated coming over the border to attend the funeral, but at the last moment abandoned the venture as the risk would be too great.

Murrell, he goes on to say, is a broken man, fearing the fate of his brother, while Norton appears to be his "old jaunty dare-devil self."

Bill Murrell and Pat Norton are wanted by the local police for alleged robbery in the Melbourne bank robbery, when Russell Campbell was shot to death.



GIFFARD PINCHOT.

Governor of Pennsylvania, who is planning to ride into the presidential chair on the prohibition issue. Pinchot has many supporters throughout the U. S. and has planned an aggressive campaign.

EXPERTS' REPORT TO BE ADOPTED

Decision by Germans Necessary To Make Recommendations Effective.

Associated Press Despatch.
London, April 14.—If the reparations experts' report is acceptable to the other allied governments, it may be taken for granted that no obstacles are likely to be encountered on the question of its adoption. This is the nearest to an official expression obtainable regarding the progress the British treasury officials have made in their examination of the reparations experts' recommendations. British interest in the reparations situation today is centered on the question of the meeting of the premiers of the four big powers with the cabinet of the reich in Berlin. Their decision on the acceptability of the report is expected Wednesday.

Ice Moving Out In St. Lawrence

Canadian Press Despatch.
Quebec, April 14.—The ice movement in the St. Lawrence River has been general for the last three days and the movement in Lake St. Peter has progressed to such an extent that it is estimated that more than one-third of the ice on the lake has passed through the outlet into the St. Lawrence. The lake is expected to be entirely clear tomorrow evening.

DRIVEWAY TO BE BUILT TO L. AND P.S. STATION

Commission Holds Its Meeting in Company's Office On Phillip Street.

MEETING IS ORDERLY

The London and Port Stanley Railway Commission changed its usual policy and rendezvous in regard to its meetings today, and held the monthly gathering not only secretly but in the company's offices on Phillip street. Not in the history of living politicians has the Phillip street office been the seat of the hush-hush.

From what the reporters could hear it was a most orderly and proper meeting, and it lasted all the time from 11 to 1 o'clock. The full commission was in attendance, and so was the mayor, who from all reports agreed with everything done by the board, and everything said by the various members.

The board agreed to do what it can toward beautifying the Richmond street terminus, and will plant flower beds and make a decent driveway into the station this spring. Shelters will be built at Stop 6 and at Pond Mills, and it is proposed to put in a siding at Richards-Wilcox. Port Stanley Park is to be grazed, though Sir Adam used a different word in describing it, by one of the advertising screens of the London Automatic Sign Company, that is if the rent can be agreed upon.

In arranging the 1924 estimates, Manager Richards told the commission that an average had been struck for the years 1921, 1922 and 1923, which met the wishes of the commission. Please See Page 2, Column 1.

MACDONALD WARNS RUSS ENVOYS ON PROPAGANDA

British Premier Makes the Issue Plain at Opening of Convention.

SOLVE PROBLEMS

Recognition of Soviet Is Unqualified, Points Out the Premier.

Associated Press Despatch.
London, April 14.—The opening session of the Anglo-Russian conference here today assumed broad lines. The prime minister, Mr. MacDonald, who called the conference together at the foreign office, where the delegates will strive to reach a settlement of the standing questions between the two countries, joined with Christian Rakovsky, head of the soviet delegation, in outlining the work to be done.

The British prime minister explained that the meeting was an outcome of the note sent to Foreign Minister Tshitcherin granting Soviet Russia recognition de jure.

The conference which opened today, he said, was "a complement of that act, and in no wise altered the fact that the recognition which had been granted was unqualified."

The liquidation of the past relationship of the two countries, the premier stated, had to be considered as well as the peaceful relations of the future.

Mr. MacDonald took the opportunity to warn the soviet delegates against engaging in Bolshevik propaganda in England during the present negotiations, which are certain to extend over many weeks.

The Labor premier assumed his gravest manner after welcoming the Russians, and bluntly told them his government would not countenance propaganda of any sort from the Russians, which he would not demand from any political mission visiting the country.

The premier made it very plain to Mr. Rakovsky and the other soviet delegates that the first indication of Bolshevik propaganda methods, with which as a veteran socialist is very familiar, a halt in the Anglo-Russian negotiations would be called.

JACK MAY IS INJURED IN FALL TO SIDEWALK

Volunteered To Assist Grocer in Placing Up Sign of Store.

Jack May, son of Mr. and Mrs. W. J. May, 522 Grosvenor street, was the victim of a painful accident. He was assisting in changing a sign at a grocery store when a ladder on which he was standing fell, throwing him to the pavement, where he struck his head.

He was immediately taken to his home, where he lapsed into unconsciousness, remaining in that state for some hours.

He has since then been making favorable progress, and it is hoped that he may recover without any bad effects.

Jack is a first year student at the Central Collegiate.

CITY OIL WAGON CATCHES FIRE SUNDAY AFTERNOON

Firemen were called to the corner of Horton and Wellington streets Sunday afternoon at 3:40 o'clock when a fire was in progress in an oil wagon belonging to the city. The blaze was extinguished before any damage was done.

It is thought that children playing in the vicinity were responsible for the outbreak as several burnt matches were found lying on the ground near the scene of the fire.

Newsy Bits From Today's Classified Ads.

Lost—Parcel.
Waitresses wanted.
Gas range for sale.
Cheesemaker wanted.
Poultry for sale.

DOLL HOUSE HAS A WINE CELLAR

English Prohibitionists Protest in Vain Against Queen's Miniature Home.

Associated Press Despatch.
London, April 14.—English prohibitionists, who although not numerous, are as decided in their views as those of any other land, have been aroused to righteous indignation by the discovery that Queen Mary's million-dollar doll house has wine cellars containing miniature cases of champagne, whiskey and other alcoholic beverages which, they say, no self-respecting doll would drink or even have in the house.

Protests have been made, without results, and Her Majesty's exquisitely furnished replica of a fine English home, wine cellars and all, will be on view at the Wembley Exhibition to any and all of her subjects who wish to contribute sixpence to charity.

PLEADS GUILTY TO CHARGE OF DISORDERLY CONDUCT

Peter Olskie, a gentleman of unknown nationality, murmured "guilty" when a charge of disorderly conduct was read to him in court today. He offered no explanation of his conduct, but admitted that he was "in the wrong." The court decided not to investigate the charge any further and assessed Olskie \$10 and costs.

REDISTRIBUTION IS LEFT TO COMMITTEE

Hon. E. M. Macdonald Advises Creation of Sub-Committees To Adjust Problem.

Ottawa, April 14.—An effort will be made by the redistribution committee to settle separate units of representation for city and rural ridings in Ontario, Quebec and Manitoba. This was agreed to this morning at the opening meeting of the committee.

Hon. E. M. Macdonald, minister of national defense, who was again elected chairman, stated that the government proposed to leave the whole question of redistribution to the committee with a view to getting an agreement among all the parties. He suggested the creation of sub-committees to deal with the different provinces or groups of provinces.

Donald Sutherland, Conservative, South Oxford, agreed to the proposal for sub-committees, but said that the chief difficulty last year in Ontario was the question of deciding on a unit of representation for cities. This was necessary before deciding how many of the rural seats would have to be combined.

REMANDED FOR WEEK.

George Wales, a young man charged with theft, was remanded a week by Police Magistrate A. H. Graydon in police court today. Kenneth Matthews said the charge. The boy was heard in private by the court, and later taken to jail in the custody of officers.

TED JOHNSTON BETTER.

The highest and lowest temperatures recorded in London during the 24 hours previous to 8 o'clock last night were: Highest, 66; lowest, 32. The official temperatures for the 12 hours previous to 8 a.m. today were: Highest, 59; lowest, 38. Barometric Readings. Sunday, 8 p.m.—28.95. Today, 8 a.m.—29.13.