

The Humber Proposition and The Railway Situation.

An Unprejudiced and Fair Review.

PART II. HISTORY OF THE HUMBER RE- SOURCES.

Editor Evening Telegram.

Dear Sir,—We have dealt with Rail-
way history and its fundamental er-
rors, and through the mistakes of the
past, have discovered our limitations,
and learned to appreciate the dangers
of irresponsible judgement on matters
little understood.

The unusual value of Junction
Brook and the Grand Lake watershed,
as a Water Power and Pulp propo-
sition was known to Messrs. Reid long
before 1898. The 1898 Deal was hardly
passed, when Messrs. Reid quickly
selected this, as their maiden enter-
prise. In less than one year the tim-
ber resources of Grand Lake were
carefully cruised and determined, and
preliminary plans completed for the
erection of a Power House and Pulp
Mill on Junction Brook. The 1901 Re-
volut checked further development, and
little was done for many years.

Just before the war Messrs. Reid
interested Mr. Wilson of Ottawa (po-
pularly known as Caribee Wilson),
and a Pulp and Fertilizer Project was
worked out, employing the Water
Powers of the Lower Humber, Steady
and Corner Brooks as well as Junction
Brook. Mr. Wilson's death and the
war delayed progress. The Consulting
Engineers (Messrs. Joseph
Wallace & Co., of New York) continued
their researches, however, and
many efforts were made to interest
foreign capital.

In 1920 Messrs. Blackbird of Nor-

way looked over the proposition,
quickly followed by Messrs. Arm-
strong Whitworth in 1921.

For twenty-five years Grand Lake
and Junction Brook, have been con-
ceded to be, by most experts, the
Queen of our "Water Powers" and
Pulp and Paper Propositions. For the
same period, surveys and investiga-
tions have been conducted and efforts
made to secure capital for develop-
ment. Probably \$100,000.00, perhaps
twice as much, has been spent by
Messrs. Reid in trying to place this
property on the market.

The Humber Timber Lands and
Water Powers, together with Steady
Brook, Corner Brook and other Pow-
ers are owned by the Newfoundland
Electric Power and Products Corpora-
tion Ltd., (a subsidiary of Messrs.
Reid) who by Act of Parliament enjoy
important and exclusive concessions.

THE 1921 HUMBER PROPOSITION.

Last December and January the
Reid Group (Newfoundland Products
Corporation) associated with Mr.
Walte representing Armstrong Whit-
worth, applied for a guarantee of cap-
ital and interest (6%) on a \$4,000,000
Bond issue; to develop the Water
Powers and Pulp Lands of the Hum-
ber watershed. The Reid group were
to own all the common stock, and the
British Investor, the guaranteed
Bonds. Armstrong Whitworth were to
be employed as promoters and con-
tractors to finance the project and
construct the plant.

At the time Legislators and people
alike were barely recovering from the

shock of colossal Railway losses, and
looking around in bewilderment for a
way out of the Railway tangle. The
payment of the Contractor's Railway
losses, without any promise of return,
resurrected all the distasteful phases
of the Reid Government Fund, so that
the mere mention of another "Reid
Deal"—as the first Humber propo-
sition was termed,—at once created de-
termined hostility.

Under the circumstances a guaran-
tee was impossible and no matter how
attractive the establishment of the
Humber industry, and the expenditure
of \$4,000,000 might be, it had to be
separated first of all from the Railway
Tangle, and the Reid Controversy, be-
fore further discussion could proceed.
The first Humber proposition was,
therefore, shelved.

The value of the Humber propo-
sition,—its success or failure,—depends
primarily on one thing, namely, "very
cheap power." This very cheap power
coupled with cheap transport and as-
sembly of pulp wood, all located prac-
tically at tide water between the old
and the new world, constitute the ele-
ments, which make this proposition,
rich in latent possibilities. The Arm-
strong Whitworth group were, evi-
dently, impressed with this cheap power,
and its possibilities in the field of
electro-metallurgy, as well as news-
print, and were prepared to explore
further other means of undertaking
its development.

THE ARMSTRONG WHITWORTH GROUP.

At this juncture, it is worth while
giving some attention to the people
who have become interested in the
Humber development. Messrs. Arm-
strong Whitworth & Co., of Newcas-
tle-on-Tyne, in pre-war days, were Ship-
builders, Ordnance Builders, and pro-
ducers of Special Steels,—builders to
the Admiralty,—and enjoying a reputa-
tion beyond reproach.

During the war, with that com-

mendable enterprise, which charac-
terised many large British firms, they
extended their already numerous
works, so that at the end of the war,
they found themselves possessed of,
extensive, well-equipped Plants, and
trained organisations, but no work for
them to do. In quest of activity, and
world-trade recovery, they choose
amongst other things, Colonial de-
velopment, in the field of Hydraulics,
Electro-metallurgy, News-print pro-
duction, and the like, and in effect,
beat their swords into ploughshares,
and spears into pruning hooks. Brit-
ish Industrial Masters generally
have been active along the same
lines, and in turning from war to the
Peaceful arts, have formed them-
selves into powerful financial and
contracting groups. Messrs. Vickers
for example is one of these groups,
and Messrs. Armstrong Whitworth is
another.

At the moment, therefore, The
minds of the best British financiers,
engineers and industrialists, in the
person of Armstrong Whitworth, are
focused on development in Newfound-
land, and Legislators and people alike,
should recognise, to the fullest ex-
tent, all that this means. The oppor-
tunity is here and passing. If thought-
lessly and unwisely thrown aside now,
it may take years of time, and cost
many thousands in money, to assem-
ble and concentrate these forces again.

GOVERNMENT GUARANTEE.

The much discussed question of
guarantee should be thoroughly un-
derstood before passing judgement. It
appears to be uncommon for Govern-
ments to guarantee industry, but
quite common for them to guarantee
utilities such as Railways, Water-
works, Light and Power Plants and
the like. Government guarantees are
usually sought when progress would
be otherwise impossible, and usually
for one of the following reasons:—

- (a) When a Railway or other Util-
ity is an obvious necessity to
the community, but has little
immediate hope of returning a
profit.
- (b) When money is required for In-
dustry or Development at a
low rate of interest much lower
than said Industry could
secure same without a Guar-
antee.

The Humber guarantee is sought
for the latter reason. The greatest
handicap to Industry and Develop-
ment, at the present time, is not the
scarcity of money, but the cost of it.
So long as Government Securities are
being offered at high rates of inter-
est, there is no room for Industrial
Securities, except at disastrous rates.
When the Northcliffe group and the
Leverhulme group, were obliged to
offer 8%, as going concerns with
tangible and tireless assets, what
hope has a project, which is only on
paper, and remote from the money-
leading centres, in securing the cap-
ital it requires, without some assist-
ance.

Of course, under normal conditions,
the principles of guaranteeing in-
dustry, would be unsound, but the
conditions to-day are abnormal, and
demand abnormal methods. If the
wheels of Trade and Commerce are
to be kept moving, and the people's
thoughts and energies turned from
destructive to constructive ends.
The Imperial Government, appar-
ently, have accepted this principle,
and believing that the shortest and
surest road to permanent peace, was
through work and employment, creat-
ed the Trade Facilities Board, so that
Sound Industrial Projects, after ex-
amination and report of their finan-
cial and technical experts, might re-
ceive the assistance necessary.

In the case of the Humber propo-
sition, the weight of expert opinion,
pronounces the proposition a sound
one, with chances of failure remote,
(except through inexcusable mis-
management), and rich in the pos-
sibilities of "A cheap source of power."
The Government Guarantee is re-
quired,—not to assist a doubtful en-
terprise,—but to make the Bonds rank
with Government Bonds in the money
markets, and sell at a low interest
rate (5 1/2%).

Probably over half the total cost
(\$10,000,000) will be paid out in Labor
and Trade within the Colony, and
therefore back to the people, and the
Colony's assets will be enriched by
the possession of the most modern
News-print Mill in the world, and a
Power Station with 65,000 surplus
Horse Power, available at the lowest
possible rate for Electro-metallurgy
and other Industrial development.
(To be continued)

Fish Conference.

Many Delegates who were in the
city interviewing the exporters, were
from points in Bonaville and Trinity
Bays, and were demanding \$5.00 for
Labrador and \$7.00 for Shore No. 1.
Up to the present no arrangement
has been made and as the market for
fish—Labrador—is not sure, a guaran-
tee cannot be given. Shore is scarce
and a hopeful market for the small
catch will be expected and \$6.00 is be-
ing paid. The pleaster and independ-
ent fishermen can hardly dispose of
his Labrador catch at any price,
while dealers of the many merchants
will dispose of their fish even at
small returns.

Other nations seem to have out-
witted Newfoundland and are supply-
ing the European markets to a large
degree.
The Advocate blames the present
situation to the letting of the Regu-
lations, but does not give proof of
this; much may be said but this does
not satisfy the waiting public, and
some new scheme must be put in
shape whereby the country can mar-
ket our staple product. Talking of
past mistakes or blunders is not worth
the argument, especially if it is done
to cover up some personal secret or
gain. The mystery is only revealed
when sufferers of Government inter-
ferences in mercantile business tell
their tale.

Had the fish exporters never signed
the Regulations on its second birth-
day, perhaps matters would be a lit-
tle different, and the cause of the
present marketing, to some degree, must
be blamed to those who appended
their signatures as well as Mr. Coaker,
who asked for the sanctioning of
his plans in carrying out the Regu-
lations. Some of the exporters though
small in number never signed and to-
day the country gives them credit
for their convictions.

Why not advertise our fish in every
available market and then arrange
for a price accordingly? Then out-
right sales can be arranged accord-
ingly. We don't want Canada or the
States or any producer of fish, rush-
ing in cargoes on consignment or on
regulation. They have the goods and
we order them according to the need,
thus we feel that if we put up good
goods and hold in stock until buyers
come in, we would do better than fill
the market causing a slump through
mere speculation.

However what is to be done if the
exporters or the government does not
give the prices asked by the fish dele-
gates? Perhaps Mr. Coaker will
draw from the inner resources of the
Treasury—the public deposit—and
this means a taking from Ted to pay
Ned and more burdensome taxation
must be asked to mend up broken
garments of deficiencies. We are
paying dearly for our mistakes and
the mistakes of incompetent figure-
heads who have no knowledge of pro-
fitable government handling of our
resources.

Why not a Conference with the
British Prime Minister asking the
Home Government to appoint a Com-
mission to take over our fish exporta-
tion beneficial to this, her oldest
Colony.—Twillingate Sun.

**OPERA "ERMINIE"—Week
commencing November 13th.**
Advance sale of tickets, now on
at Hutton's. Dress circle center
section, \$1.50; side section,
\$1.00; Reserved seats, 75c. and
50c. Secure your tickets at once
for the biggest and most gorge-
ous opera ever produced by
Mr. Charles Hutton.—oct24.25.28

Prince's Pearls Cause Matrimonial Gossip.

LONDON.—The fact that the Prince
of Wales is collecting pearls for a
necklace has furnished another topic
of abortive interest for discussion
over the tea cups, and there are flut-
ters in the hearts of those interested
in the royal matrimonial plans. It
will be remembered that Lord Las-
celles did exactly the same thing be-
fore the announcement of his en-
gagement to Princess Mary. But even
with that precedent, it is not safe to
assume that any exciting news will
follow the revelation of the Prince's
interest in such matters, for pearl
collecting among the English nobility
is a time honored occupation. Many
priceless collections of pearls have
been owned by Englishmen in the
past, but very few of them are intact

ALL ROADS LEAD to



Marguerite comes from Laurier

For all that she knew her husband was deeply devoted,
for all his distinction as Prime Minister, Marguerite had never
loved him. But she had kept resolutely her share of the
bargain in matrimony her parents had arranged—
until one afternoon she visited the home of Marcello
Desnoyers, and then—but that is part of the story of

The STAR Movie To-night

Everyone Wants
to See

The
Four Horsemen
of
The Apocalypse

First Performance
at 7 o'clock
Doors Open at 6.30

The Moving Picture World Says of it:—

"The Greatest Film!" "Unprecedented Success!" "Never Been Equal-
led!" "Best Play Since Shakespeare!"

'Chicago Daily Tribune' Says:—

"Go and See 'The Four Horsemen Of The Apocalypse!' "It is worth your
time and money!"

oct17.61

KEEN PRICES BIG VALUES, OUR AIM!

Quality and prices considered the keen
shopper will find values here unbeatable.

BLANKET SPECIAL!

All Wool Blankets.

56 x 76 \$4.75 pair.
60 x 80 \$5.75 pair.
Heavy All Wool English Blankets.
Guaranteed All Pure Wool.
\$8.50 to \$13.00 pair.

Cotton Blankets.

Heavy Makes; Soft and Fleecy.
\$1.95, \$2.50, \$2.75, \$3.00 pair.

White Marcella Bedspreads

By the pound; excellent quality.
All perfect Goods without a blemish.
\$1.45 per Pound.
Average weight about 3 lb. each.

Circular Pillow Cotton.

40 inches wide.
Former Price \$1.00 yard.
Now 50c. yard.

FLANNELETTES!

Superior quality Striped.
Soft, Velvety finish; 1 yard wide.
35c. yard.

Pyjama Flannel.
Fancy Striped.
Former price \$1.20 to \$1.50 yard.
Now 60c. yard.

White Flannelette.

22c. to 45c. yard.

White Sheeting.

English make, heavy herring bone
Twill, 70 inches wide.

\$1.00 yard.

Others at 75c. and 85c.

MISSSES' COATS \$5.98.

Heavy all-Wool Coat, g. In Blue,
Brown, Grey, Green. To fit from 8
to 15 years. All One Price
\$5.98.

Steer Brothers

oct21.24.26

BILLY'S UNCLE



By BEN BATSFORD

"I Accuse" at the Majestic to-
night. A powerful drama of the
Great War. A picked cast of
French actors. Every performer
living the part.—oct24.11

Antarctic Explorers.

GLAD TO GET HOME.

LONDON.—The explorers who ac-
companied the late Sir Ernest Shack-
leton to the Antarctic on his last voy-
age have recently returned to England
in the Quest, and they readily con-
fess their delight at being home again.
They have been absent one year, and
hardship and disappointment have been
their various portion. Since the
death of Shackleton in the Antarctic
last January, the explorers have been
led by Capt. Frank Wild. He be-

Dried Watermelons Good Eat

ROSTOV, Russia.—Russia has
faced by the need of conserving
food supplies, have developed a
method of drying watermelons. They
use a light straining net for each
when it comes from the field, and
hang it in a dry and dark place.
It will not freeze. They are eaten
the winter months, and are said to
retain their flavor and juice to a
large degree.

A good dinner deserves a
cigarette, a bad dinner
one. Let your choice be



FOR
BOILS
AND
CAR-
UNCLES

182

182

182

182

182

182

182

182

182

182

182

182

182

182

182

182

182

182

182

182

182

182

182

182

182

182

182

182

182

182

182

182

182

182

182

182

182

182

182

182

182

182

182

182

182

182