The Semi-Weekly Telegraph and The News

VOL L. ST. JOHN, N. B. WEDNESDAY, FEBRUARY 1, 1911 NO. 35

TAFT'S STRONG PLEA FOR RECIPROCITY

Quotes McKinley's Last Speech

Martyred President's Speech at Buffalo Recalled

President Says it is Time the United States Adopted Different Treatment to Canada Than Has Been Accorded Her in the Past.

Canadian Press.

Washington, Jan. 30—The last public utterances of President McKinley in favor of reciprocity, made the day before he was assassinated at Buffalo, were recalled tonight by President Taft in an address at the Ohio Society's anniversary banquet in commemoration of the McKinley birthday.

President Taft eulogized the character of the martyred president, and paid a high tribute to his attitude on the commercial expansion of the country, with particular reference to the declarations in favor of reciprocity generally made by President McKinley at the Pan-American exposition at Buffalo.

"The broadening effect of the national responsibility McKinley had to carry," said President Taft, "shows itself in no respect more conspicuously than in this change of view on his part in respect of a policy of which he had always been the chief exponent. May we not hope that the change that he advocated may soon find expression in our national policy towards our good neighbor on the north, who has come half way to meet us?

"May the fragrance of his beloved memory lead those upon whom is the responsibility, and incline their minds and hearts to this end.

"The Canadian agreement, if confirmed by executive action, will be a fitting close to a century's controversies and permanently establish good feeling between kindred peoples. We shall find a rapidly increasing market for our numerous products among the people of our neighbor. We shall deepen and widen the sources of our food supply in territory close at hand.

"Our kinship, our common sympathies, our similar moral and social ideas, furnish the strongest reason for supporting this agreement.

Tribute to Canada.

"Canada is our neighbor for 3,000 miles. We have not always acted toward her in a manner most conciliatory with due regard to her sensibilities. She has become a great country—indeed a nation. She causes us to use no forts or battleships. She does not attack us and never will. She extends the brotherly hand of friendship and proposes closer relations with mutual benefits. Ought we to decline? The last words of McKinley urge acceptance. I am proud as a son of Ohio to bring forward for approval and effective action a measure carrying out the policy which he proclaimed and made his own at the acme of his great career.

"He (McKinley) felt the expansion of this country in a great world power. He saw the future growth of its commerce with other nations. He came to know that high protection policy was too provincial and that it was time to moderate it.

"A Chinese wall and entire exclusiveness did not commend themselves to him in the then state of the country and the development of its industries. He continued to believe in protection enough to prevent our industries from being destroyed by competition under conditions abroad that were impossible here, but he proposed to mitigate that exclusiveness of a protective tariff by reciprocity treaties that should reduce rates where the reductions would do no substantial injury to any class of our products or manufacturers, and would secure more favorable markets for our own goods.

"Accordingly, after his second election, at Buffalo, facing an immense audience in that Pan-American exhibition of industries, and looking over toward our sister country on the north, he spoke the words showing that he thought the time had come for greater liberality in our dealing with other countries, and for mutual benefits in reciprocal reductions of tariffs. I use his language, uttered on the day before he fell by the hand of the assassin:

Quotes McKinley.

"'By sensible trade arrangements, which will not interrupt our home production, we shall extend the outlets for our increasing surplus. A system which provides a mutual exchange of commodities is manifestly essential to the continued health and full growth of our export trade. We may not repose in fancied security that we can forever sell everything, and buy little or nothing. We should take from our customers such of their products as we can use without harm to our industries and labor. Reciprocity is the natural outgrowth of our wonderful industrial development under the domestic policy now firmly established.

"'What we produce beyond our domestic consumption must have a vent abroad. The excess must be relieved through a foreign outlet, and we should sell everywhere we can and buy wherever buying will enlarge our sales and productions, and thereby make a greater demand for home labor.

"'The period of exclusiveness is past. The expansion of our trade and commerce is the pressing problem. Commercial wars are unprofitable. A policy of good will and friendly trade relations will prevent reprisals. Reciprocity treaties are in harmony with the spirit of the times; measures of retaliation are not. If perchance some of our tariffs are no longer needed, for revenue or to encourage and protect our industries at home, why should they not be employed to extend and promote our markets abroad?'

"Thus did McKinley in his last public utterances declare for reciprocity."

WHEAT TRADE OF NEW YORK LOST

Exporters Complain That Montreal Has Captured It

WANT LOWER RATES

Interstate Commerce Commission Told That High Railway Rates Have Diverted American Grain to the Canadian Port and Liners Are Sailing in Ballast.

Canadian Press.

New York, Jan. 30—Many great ocean steamships leaving New York now go out ballasted with water where once they carried grain. So the Interstate Commerce Commission heard here today when it resumed the adjourned hearing relative to the alleged discrimination of railroad grain rates against New York and in favor of Montreal. The witness who so testified was James T. Parker, of the firm of Parker & Graf, members of the New York Produce Exchange.

Mr. Parker contended that a continuation of the five and a half cents per bushel rate would result in New York losing all of its export grain business. As a matter of fact, he asserted, it had already been lost and he maintained that a rate of four cents per bushel in effect between May 15 and November 15 is needed in order to encourage the movement by way of this port.

C. A. Legg, representing the Chicago board of trade, said he would serve notice on the railroads requiring them to submit in evidence the minutes and records of the meetings at which the ex-lake rail rates were fixed.

Yale Kneeland, a member of the firm of Powers Son & Co., grain exporters, testified to schedules compiled from actual shipments which were intended to show that the railroads would make more money today if the four cent rate on grain between Buffalo and New York was in force.

A. C. Featherhoff, manager of the freight department of the International Mercantile Marine Company grain steamers, testified on the decline in grain shipments from New York and said that recently two steamers had been withdrawn from the New York service because of the decrease in shipments of both cattle and grain.

W. A. Wadhams, representing the New York Chamber of Commerce, announced that the chamber proposed to submit a new basis of rates which would not disturb the existing rate structure, but which would put New York on an equal footing with Montreal.

CALLS MINERS' DELEGATE A SPY

Sensational Charge in U. M. W. Convention at Columbus Against a Nova Scotian.

Canadian Press.

Columbus, Ohio, Jan. 30—The sensational announcement was made just before the adjournment of the miners' convention today that there was a spy sitting in the convention as a delegate, and when his name was demanded the delegate making the charge named J. M. McSweene, representing a local in Nova Scotia, whose home, however, is said to be in New York state. He was said to be in the convention in the interest of coal operators of Nova Scotia, and for the purpose of discouraging the delegates from that district from continuing their alliance with the United Mine Workers. For this purpose it was charged, he maintained quarters at a local hotel, where he entertained delegates in furthering his object.

McSweene is the delegate who is charging crooked dealings on the part of the international officers. He said it was the intention of President Lewis to call off the strike in the Irwin, Pennsylvania, field before he retires in April, and also to gain influence in his campaign for re-election; Lewis has been extravagant in paying benefits to the striking miners in the Nova Scotia fields, even paying benefits to fishermen and other craftsmen outside the organization.

Continuing, he said that the money for these benefits might have been paid by coal operators in the United States who are interested in maintaining the strike in Canada.

Regarding the statements that he would call the Irwin strike off and that the international officers had been paying illegal benefits in Nova Scotia, President Lewis branded them as false.

MONTGOMERY IN TEARS AT HIS COUNSEL'S PLEA

Declares He Tried to Save Bank

Witness for Defence Swears Former St. John Man Was Threatened With Ruin by Chief Witness for the Prosecution.

Special to The Telegraph.

New York, Jan. 30—William R. Montgomery, formerly president of the defunct Hamilton Bank, who is on trial for the alleged larceny of something like $4,000 from the institution, had rather a triumphant day of it in the criminal courts building. The prosecution ended and the defence was begun.

Mr. Montgomery was moved to tears when his chief counsel, James W. Osborne, who became famous as a criminal prosecutor years ago in the district attorney's office because of his connection with such celebrated cases as the Molineux murder trial, said:

"We will show you that that bank, whose presidency he assumed on Oct. 21, 1907, three days previous to these transactions, to save it, was Montgomery's pet, his sole object in life, his very life itself."

Montgomery was crying quietly at this point.

"We will show you that there was no great run on the bank, but that it closed because one of the down town banks was shaken by the financial unstableness, generally called the panic of 1907. We will show that Montgomery tried to save the bank and assumed its presidency to do it."

Mr. Osborne asked the jury if they had seen any complaining bank depositors, bank officials or bank stockholders. "No," he said, answering himself, "who are the injured parties? Gross and Still," referring to two of the witnesses for the prosecution.

Defence Scores.

Samuel W. Maguire, a lawyer living in Brooklyn, but in business here, was the first witness called to the stand by the defence.

"Do you know Stephen G. Still?" asked Mr. Osborne.

"Yes."

"Did you see him in 1909 frequently?"

"Yes."

"Did Still say: 'I'm only waiting for my turn to get on the stand. I'll fix him?'"

"Yes."

"Isn't it a fact, that every time Still met you he would say something to you about Montgomery to this effect?"

"Yes."

Maguire was retained at the time by Still to bring suit against Montgomery.

The witness was then turned over to Frank Moss, the prosecutor, for cross-examination, but his testimony was unshaken.

Still, he said, was under the impression that Montgomery had robbed him of a very valuable piece of real estate.

The defence, not expecting the prosecution to rest so soon, had not all its witnesses on hand and an adjournment was taken until tomorrow morning.

Earlier in the day the prosecution had announced that all of the people's testimony had been put in evidence. The effect of the people's evidence for the day, when their witnesses were subjected to cross-examination, was that Mr. Montgomery had sold lots, purchased by him, greatly to the bank's advantage. Mr. Osborne put the matter in this fashion when he began to line the defense:

"They were real transactions, said Mr. Osborne. "They were so real that the bank now has those lots on Westchester Creek. We will show you, and Mr. McHele has admitted it, that the bank made a profit of $8,000 on the sale of these lots."

The prosecution desired that night sessions be held to facilitate the trial, but Mr. Osborne objected strongly and Judge Rosalsky acceded to the latter's wishes. It is probable that the trial will end this week.

JAMES W. OSBORNE WILLIAM R. MONTGOMERY SAMUEL KOENIG.

MISSING DOROTHY ARNOLD MAY BE WOMAN FOUND IN BOSTON

MISS DOROTHY H. C. ARNOLD. PHOTO. BY CABLE.

Boston, Jan. 30—A young woman whom the police believe answers in a general way in appearance to Miss Dorothy Arnold, daughter of Francis R. Arnold, of New York, who has been missing since Dec. 12, was found in a helpless condition in a doorway at 164 Huntington avenue early this morning.

The woman appeared sick or demented, and was unable to talk. She was taken to the city Hospital where she is under observation.

In the woman's hand when she was discovered by a policeman was a letter addressed to F. M. Becker, 33 Franklin street. The police immediately set to work in an effort to locate Becker. The Franklin street address is a business building and in the city directory no other address is given for Becker, who is listed as a salesman.

The woman apparently had been taken suddenly ill, and when addressed answered nothing to repeated inquiries. She was apparently well-to-do, for her purse contained $95.

According to the police description the woman is about 28 years old, 5 feet 1 inch in height, weight 130 pounds, is of medium complexion, with brown hair and eyes.

She wore a black fur hat, a gray raincoat and gray sweater, a black skirt, a fancy white shirt waist, black boots with Cuban heels and sandal rubbers.

She wore two diamond rings, one on each hand, both jewels being apparently valuable.

The woman was found shortly before 1 o'clock and was taken immediately to the hospital, but up to an early hour this morning had not recovered sufficiently to answer questions. The Boston police communicated with the police of New York.

City Hospital officials reported that it was impossible to say with just what trouble the girl was suffering.

New York, Jan. 30—With the sending of a picture and description of Miss Dorothy H. C. Arnold to every city and village of this country and Canada and to the capitals of Europe, the search for the missing girl, which since her disappearance, December 12, has been conducted in secret, will be taken up by the police of this country and practically of the world.

No search for a missing person had, up to yesterday, ever been conducted with more secrecy than that for the cultured, pretty and apparently happy daughter of Mr. and Mrs. Francis R. Arnold, of No. 108 East Seventy-ninth street. She was last seen leaving Brentano's bookstore, Fifth avenue and Twenty-seventh street, six weeks ago last Monday.

For the first ten days the search was conducted by detectives of five agencies, working under the direction of Garvan & Armstrong, lawyers, of No. 40 Wall street. The senior of that firm is Francis P. Garvan, for eleven years an assistant district-attorney, with a wide experience gained by work on some of the most baffling crime mysteries of this city.

TRAVERS REFUSES TO LOOSEN GRIP ON KEELEY MINE

Convicted Bank Manager Still a Director — Crown Shy of Issuing His Disclosures About Other Men.

Toronto, Jan. 30—W. R. Travers, the convicted general manager of the Farmers' Bank, is still a director of the Keeley Mine. At the meeting of the mine board yesterday, he refused point blank to resign unless given positive assurance that the mine would be developed by the company and not sold to other parties. Despite the efforts of crown officers and the men engaged in winding up the bank's affairs, Travers was obdurate. He bases his refusal to resign on his belief that the mine is so rich that it will yet produce enough ore to make unnecessary the double liability on the shareholders.

The lengthy statement given by Travers to the police will not be made public for several reasons. One is that the crown wishes to hold it in reserve for further prosecutions, while the other is that many of Travers' statements are contradictory, and the defense could easily pick flaws in it. The crown will endeavor to separate the wheat from the chaff, and while using the information given in the statement, will take care that it is not filed as a court record in any of the prosecutions undertaken against the wreckers of the bank.

STEEL INTERESTS WANT BOUNTIES RENEWED

Ottawa, Jan. 30—Representatives of the Dominion Steel Company, who are in the city, are urging the renewal of the steel bounties which will expire in June. One argument is that it would offset, or tend to, the effect of the proposed reciprocity agreement upon this industry.

WILL DISCUSS RECIPROCITY PACT IN CONGRESS TODAY

Washington, Jan. 30—The Canadian reciprocity agreement will be taken up for consideration by the house committee on ways and means tomorrow. No special procedure has been agreed upon.

McCURDY MADE A GREAT FLIGHT

Failed, However, to Reach Havana

Forced to Descend on Ocean Ten Miles from Goal

Accident to Machine Spoiled Canadian Aviator's Effort, But He Made a World's Record—Picked Up Unharmed by Torpedo Boat—Will Try Again.

Canadian Press.

Havana, Jan. 30.—J. A. D. McCurdy, a Canadian, set a new record today in over-the-water flights, covering a distance of close to a hundred miles, from Key West to within ten miles of Havana, when, from a slight accident, he was compelled to drop into the sea. There he remained, his biplane floating by pontoons, until the lifeboat of the torpedo boat destroyer Terry picked him up.

With victory within his grasp, his goal in plain view, an accident, trivial in itself, for which no provision was possible, robbed McCurdy of his almost won title of conqueror of the Florida straits. With Morro Castle scarcely a dozen miles away, his aeroplane rushing at the rate of fifty miles an hour, at an altitude of 2,000 feet a break in a small part of the engine, a ruptured crank case, permitting of the escape of all the lubricating oil, necessitated McCurdy's immediate descent. Havana was then in plain view, and Camp Columbia, where the landing was to be made, was only a short distance beyond.

Didn't Even Wet His Feet.

At the time of the descent, the aeroplane was about equidistant from the Paulding and Terry, the leading ships, which were about ten miles apart. The intrepid aviator, when the sound of the engine told him something was wrong, instantly shut off the power. He descended rapidly, swinging steadily to the water and alighting as gracefully as a gull with outspread wings. The pontoons proved abundantly buoyant, McCurdy not even wetting his feet.

The fall was seen by all the vessels of the squadron and they headed in the direction of the aeroplane at topmost speed, the Paulding and the Terry arriving almost at the same moment. Some difficulty was experienced in manoeuvring the destroyers alongside the air craft, but the aviator, sitting there apparently in contentment, assured the officers that he was perfectly safe, and that there was no necessity for haste. The Terry's lifeboat took him off and finally he was taken aboard the Paulding, but the efforts to hoist the machine on the launching platform failed. Grappling irons were used and the aeroplane was hauled to the decks in a badly damaged condition.

While this work was going on the Cuban flagship Haturi arrived from Havana, carrying President Gomez and a party of friends. She ran alongside the Paulding, and the president shouted his congratulations on the pluck of the aviator and regret for his ill fortune.

After an hour's delay, the squadron started for Havana, entering the harbor a few minutes after 1 o'clock amid the cheers of many thousands who continued to throng the sea wall long after the news of the accident was known.

McCurdy landing from the Paulding proceeded without a change of clothing to the drill grounds at Camp Columbia, where he gave a magnificent exhibition of his skill, rising to an altitude of 1,200 feet and performing a variety of manoeuvres that were startling to the Cubans.

The start from Key West was made at 7.32 o'clock, central time, which was 8.05 Havana time, and after making two circles, the aviator squared away on his course. The weather conditions were ideal a faint wind, a cloudless azure sky and unrippled sapphire sea. Of the beauty of the scene, McCurdy said this evening:

"Never have I experienced so wonderful a sensation as when I rose 1,000 feet and took the course. Ahead of me was a wondrous mirage, the sea, instead of a horizontal plane below, having the appearance of a huge vertical picture, on which the funnel tops of the destroyers appeared like black spots. Soon I became accustomed to this, and the sensation was glorious as I rushed forward at 50 miles an hour, toward this wonderful panorama, which then appeared to recede from me. It seemed no time before Morro and Havana were in plain view, and I could almost see the waiting crowds. Then something went wrong with the engine. I saw all my oil running out and there was nothing to do but to descend. This I accomplished with perfect ease.

"The accident only increases my earnest desire to effect the conquest of the Florida straits, and I have the fullest confidence that I can do it. I do not know when I shall be able to make another flight but under such conditions as prevailed today, I am sure of success."

McCurdy was exactly two hours in the air, covering an estimated distance of about 96 miles. Besides breaking the over-sea record, this is the first instance of an aeroplane flight entirely out of sight of land.

The disappointment was keen in Havana over the aviator's mishap. On the firing of the cannon at Cabanas, signalling the start, all business was suspended. The whole population thronged the Malecon driveway from Punta to San Lazaro. All the high roofs and the heights of Morro and Cabanas were crowded.

MORE SAFEGUARDS AROUND BANKS

No More Dummy Directors Will Figure in Future Charters

WOULD END SENATE

Mr. Lancaster's Move to Wipe Out Second Chamber Not Approved Of—Sir Wilfrid Laurier Favors Improving It—Queries Answered.

Special to The Telegraph.

Ottawa, Jan. 30—The collapse of the Farmers' Bank and the bad situation in the institution revealed by the investigation has made an impression upon parliament. This was indicated today by several questions which were put to the government, and by the way a bill to incorporate the Securities Trust Corporation, a Regina enterprise, was scrutinized.

Many suggestions were made to provide for the security of banking and trust institutions from the moment of incorporation, and a suggestion was accepted from Mr. Foster that the first directors should be bona fide and not dummies.

A resolution by Mr. Lancaster for the abolition of the senate did not meet with favor.

Sir Wilfrid Laurier spoke against the abolition of the second chamber. However, he said that he believed the senate could be improved, and would be glad to have suggestions as to the method of doing it.

Hon. Mr. Foster was told that the Farmers' Bank had followed the usual course in getting the treasury board certificate to do business.

Mr. Borden was told that the Quebec bridge had cost to date $7,154,987.

Mr. Boyce was told that the government was not aware that Lieutenant-Governor MacGregor is a director of the Nova Scotia Steel Corporation. As to his remaining on the board, the matter was left to the judgment of Hon. Mr. MacGregor.

Mr. Sharp, of Ontario, asked if the government were aware that H. C. McLeod, late general manager of the Bank of Nova Scotia, had said that since 1845 over $40,000,000 had been lost to shareholders by insolvent Canadian banks; that there was a greater percentage of failures among Canadian banks than those of any other country, and that a number of banks were submitting false returns.

The finance minister said Mr. McLeod's views were contained in a pamphlet he issued in 1908, but it does not contain the allegations referred to. Mr. McLeod's views on bank inspection would be satisfied by the bill now before parliament.

TRADE AGREEMENT AIRED IN SENATE

Doubt Expressed of President's Power to Negotiate It

Document Finally Referred to Foreign Relations Committee to Look It Over, and It Will Then Return to Finance Committee.

Washington, Jan. 30—The president's Canadian reciprocity agreement today received its first airing in the senate. The discussion arose in connection with a motion of Senator McCollum, of Illinois, to change the reference of the bill from the committee on finance to the committee on foreign relations.

Senator Heyburn, of Idaho, although in the end he did not persist in his objection, contended that as the agreement deals with the tariff the foreign relations can have no jurisdiction in the premises. He argued that the executive department had transcended its authority in entering into the compact with Canada.

"The senate," Mr. Heyburn said, "does not recognize the right to make a tariff by agreement. I know of no provision in the constitution of the United States which provides that the legislation affecting the revenue should originate in the executive department."

Senator Bailey, of Texas, asserted that if the Canadian compact was a mere agreement the president had been without authority to act, whereas if it was a treaty he had such authority. He regarded it as a treaty, and was willing that it should go to the committee on foreign relations.

Ultimately, Mr. McCollum's motion prevailed. It is understood that after the foreign committee satisfies itself that the agreement does not interfere with existing treaties it will be brought back and again referred to the committee on finance.

Sixty-Mile an Hour Gale in Toronto.

Toronto, Jan. 30—The city was visited by a severe wind storm this morning. The observatory reported sixty miles an hour gale.