

A. & G. W. RAILWAY INQUIRY

(Continued from Page 5.)

"That letter is putting it pretty strong."

Faulkner on the Stand.

When the commission resumed this morning Mr. Johnston continued the examination of Faulkner. Counsel produced a letter written by witness to A. Hawes, in which he said he had secured the charter from Cornwall and Senator Roy and would get aid in subsidy from the attorney general's department which had been instrumental in securing the first charter. The witness explained that he had never met Senator Roy and that the letter portion referred to work done by Mr. Biggar as law partner of the attorney general and not by Mr. Cross himself.

Faulkner Originated Construction Co. A letter from Faulkner to Cornwall in 1907 said the latter would receive \$24,000 in the securing assistance to be formed in addition to shares through the syndicate.

"Who originated the idea of the construction company?"

"I did."

"As far back as this time?"

"Yes."

Faulkner said he had explained the idea of the construction company to Cornwall but he did not seem to take much interest in it. The idea was that the construction should be the real company and the railway merely a nominal one.

Wanted Aid from Ottawa.

Johnstone then took up the third visit of the witness to Edmonton, having dealt with the first two visits yesterday. This was the time the 1907 legislature was in session. Hawes was looking after the financial end and Cornwall working up enthusiasm. It was then granted, he said, that Kutherford, Cross and Boyle should go to Ottawa to obtain a subsidy. Later Cornwall wrote that they had been unsuccessful in securing assistance at Ottawa. He said Sir Wilfrid had told them if the company built 50 miles themselves it would be an evidence of good faith and they then might look for assistance.

Division of Profits.

"When did you meet Bowen?"

"He was introduced to me by Minty in June, 1908."

Witness told of the first Bowen option secured, and later extensions with the taking up of the syndicate charter.

"You remember the division of payment from Bowen?"

"I cannot recall the date. I recall much of the money used in taking up outstanding accounts."

Johnstone submitted to witness a scheme of apportionment of profits as drafted by Emerson. Faulkner said he had not seen that draft but saw one something like it.

"Did Cornwall agree to that?"

"I think he did, but can't remember."

Witness said that when Clarke took up and paid for the option he understood that the syndicate would have \$100,000 stock in the Waterways Co. Construction company was not then discussed.

Money Still in Bank.

"Can you give any reason why the balance of the syndicate cash in the Home bank still undivided?"

"No, no one seemed to want it."

"Do you know anything of the construction company?"

"No, I do not."

"Are you still a member of the syndicate?"

"No, I sold out to Clarke in St. Paul last November."

"What did you get for your shares?"

"\$1,000," witness explained how the money was paid.

Johnstone then took up the meeting of Faulkner and Parkin of Calgary at the Royal Alexandra hotel two weeks ago and their efforts to secure the stock of the syndicate.

Parkin's Object.

"What was Parkin's object in obtaining copies of Emerson's correspondence relative to the syndicate?"

"He wished to ascertain if the shares were valuable."

"Did you see Clarke in Minneapolis?"

"I did not."

"When did you see Parkin last?"

"He disappeared from me in Minneapolis."

Bennett then began the cross-examination of the witness.

"You visited Edmonton three times to interest the government and the result was a failure," he asked.

"Yes."

"Are you not mistaken in saying that Boyle was to go to Ottawa?"

"I think he replaced some other member who could not go."

"Did they go?"

"I think they did."

"The result of their visit was a failure if they went?"

"Yes, I think the syndicate was to blame that did not push the scheme further."

Faulkner said he believed in the telegram read yesterday which passed between Clarke and Minty with reference to a hold-up. Clarke had no reference to the Athabasca syndicate, Minty, he said, had given them to understand that their charter was not good and that they could never get any assistance under it.

"Do you recollect who any of them were?"

"I can not think of any at present. It was a kind of a hold-up on Cornwall's part. He said practically, 'You fellows can't get this through. I can. Minty advised us that we would have to be very careful about doing anything that might involve political connections.'"

"So you discussed the political end before you went to Edmonton. And Cornwall told you to leave the political end to him?"

"You assume that some one had to be fixed. We did not contemplate that."

"Do you know that Parkin's endeavor to secure stock in Winnipeg was an attempt to hold up Clarke?"

"I don't know."

P. J. Nolan followed in further cross examination asking the witness with reference to the Cushing meeting several weeks ago when Cushing told him if McKenzie and Mann built the road there would be a million dollars saved.

"Did he say the Canadian Northern might yet build the road?"

"No, he did not."

Didn't Say C. N. R. Was Interested.

"Did you tell Emerson, as he said a few days ago, that third parties, the C. N. R., had an interest in the railway?"

"No, I did not."

O. M. Biggar asked the witness a number of questions with reference to meeting the government in Edmonton. There was no detail of the bond guarantee then discussed with the cabinet, he said.

"You spoke of an interview with J. R. Boyle?"

"I think it was between Hawes, Cornwall and Boyle. The railway passed through Boyle's constituency and he was interested in the development. The purpose for which we saw Boyle was to secure his intervention with the cabinet. I don't know the details of the arrangement by which Boyle was to go to Ottawa. It was made by Cornwall and Hawes. Boyle was to maintain an independent attitude."

"I would want a practical engineer to see the ground with levels and ascertain the full particulars."

"Might be Over \$20,000."

"Why were you then interested in a survey of Justice Beck and the other witnesses?"

"No, I don't remember remarks of that kind."

Mr. McArthur said that the money asked by Mr. Clarke, the sum of \$450,000, was out of all reason and so excessive as to be well nigh ridiculous.

E. A. James was next called. He said to Mr. Johnston that he met Mr. Clarke in New York and was appointed by him as general manager of the Waterways at \$12,000 per year. His headquarters were at Edmonton but he spent only one or two days there. He said he had been making contact for the railway and a number had already been entered into. The contracts for the purchase had been signed by B. R. Clarke, president of the Construction Company. He had bought the best material obtainable in rails, angle bars and other stock. He had never received any letters from Mr. Clarke. Any telegrams he had received he had destroyed. He had absolutely no papers to produce.

"You accompanied Mr. Clarke to New York when the bonds were handed over," he said.

"Yes, I hired the train."

"You took no part with him in the purchase of the bonds?"

"Not the slightest."

Mr. James said he had accompanied Mr. Clarke and others from Montreal and New York but knew nothing of the negotiations with the manager of the Royal Bank there. He knew nothing of the terms offered by the Construction Company to build a first-class road of high standard. Mr. James said all he knew of the matter was that a one hundred-mile motor trip that he made last fall.

His Cross-Examination.

Cross-examined by Mr. Bennett:

"Your appointment came through Mr. Cross, did it not?"

"Yes, that is correct."

Mr. Bennett then took up the specifications which Mr. James had given in the Manhattan hotel in November.

"These Mr. Bennett showed were given Mr. Clarke after the contract had been entered into by the government."

Mr. James said that delivery had been stopped of the material. The angle bars were rusty but the rails were not yet rolled. One hundred flat cars and six locomotives had been purchased.

"Do you know if any of these have been sold?"

"No."

"How much road did you expect to be constructed in 1910?"

"200 miles."

"That of course depends on the grading, the ready, etc."

"You don't know anything of the proposed branches?"

"No, I do not."

"He was engaged in May of last year and had received his first payment in August. In October while in New York he was again paid \$10,000. He knew nothing of Mr. Clarke's profits in the sale of the bonds. He had told him it would cost \$25,000 to \$30,000 a mile to build the road."

"That is if you built the road according to your specifications?"

"Well, bought material according to these standards."

"But you must remember it is the Construction Company that is building it."

"Well, it is the Clarke Bros., at any rate, and they are as new together as any two can be."

To Mr. Biggar, Mr. James said that 56 pound rails were the best for new railways, as they would conform to the telegraph line, and the other materials were of the best. Mr. Biggar was still questioning when the commission adjourned. Tomorrow Mr. James will be finished and the local bankers called. It is expected that the commission will finish here in the evening and leave at night for Toronto.

FOSTER TAKES HIS SEAT.

Was Cheered by Opposition When He Made First Move.

Ottawa, May 3.—Hon. Mr. Foster took his seat in the House this morning after being absent for some weeks owing to illness. He was cheered by the opposition when he rose to ask for some papers.

Sir Frederick Borden, promised Major Sam Hughes that he would look into the matter of alleged discrimination in the distribution of scrip to families of Canadian soldiers who died on the way to South Africa.

The railway commission have drawn up a code of rules which stipulate that in accepting employment must assume all risk. Major Currie asked if it was the intention of the railway commission to derive employees from the workmen's compensation act. Mr. Fielding said it would be impossible to displace the workmen from the country, but he would bring the matter to the attention of the minister of railways.

The house then took up the consideration of a bill to incorporate the Retail Merchants' association, and after some discussion passed it.

Returned it in 1909.

Dec. 19, 1909, when he sent a cheque for \$3,000, the \$300 covering expenses, which I did not retain."

"Did you any security for the \$3,000?"

"No, I did not."

"He told you where he got money to repay you?"

"No, I don't know anything of the Construction Company now formed?"

"Oh! No."

Cross-examined by Mr. Bennett Mr. McArthur said Mr. Clarke's proposal practically was that he pay out \$450,000 for half an interest in the Construction Company.

"What visible evidence did you find of his \$450,000 expenses?"

"I could not find any and I did not look for any."

Speaking of his loan of \$5,000 to Mr. Clarke he said the money was drawn from Ottawa to Edmonton. It was drawn on the Trades Bank and the cheque that was paid was on the Edmonton branch of the Royal Bank.

Clarke Didn't Explain.

"Did Clarke explain how he expected to profit by sale of bonds?"

"Did you have any discussion about

the cost of the road?"

"No, I went there to hear if the Alberta government was endeavoring to assist in getting a Dominion subsidy in addition to the bond guarantee."

"What the specifications for the road discussed then?"

"No, that was Mr. Clarke's work."

"Did you see Mr. Cornwall or Mr. Cushing or any private members of the legislature?"

"No, I don't think so."

"Did you ever discuss the cost with the government or any officials of the government?"

"No, I don't remember."

Mr. McArthur said he had then discussed the cost with Dr. Waddell but he had nothing definite to fix cost upon. He had Engineer Goddard's and Phillips' reports but witness did not think this data sufficient to warrant his entering into a contract.

"What would you require to be satisfied as to your ground before signing?"

"I would want a practical engineer to see the ground with levels and ascertain the full particulars."

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SHOCKING SUICIDE OF RICH VALLEY WOMAN

Mrs. J. Johnson, Highly Respected in District, Takes Her Own Life by Shooting Herself With Rifle. Which She Discharged by Aid of Stick.

The whole court laughed, and the witness replied: "That came later."

Mr. McArthur said the capital stock to be subscribed by him in the Construction Company was a million dollars, and he was to give \$450,000 of this to Mr. Clarke for his expenses. He would be reimbursed as the road was built.

"And you thought the anti was rather heavy for the stakes you were playing for?" asked Mr. Bennett.

The witness dodged.

"Do you recollect having made any statement after your interview from Edmonton that they were easy or that the 'old man' was very easy, referring to the President?"

"I don't remember having made any."

Or that Clarke said he had to take care of the boys or boys in the country, the bullet passing through her heart and body and imbedding itself in the wall of the house. When her body was discovered the stick was tightly clasped in her hand.

The Johnson family came to the district from Sweden and have gained the respect of the entire community.

THE HONORABLE FINED.

For Using Bad Language Under Provocation.

London, May 3.—A police magistrate at Ivybridge, in Devonshire, has decided that the word "damned" is obscene, and that its use may be punished as a crime. The Honorable Francis Jacobson, son of the Earl of Harwood, was bicycling through the country when he was run into and captured by a constable driven by a woman. In the accident the woman's collar bone was broken. Under this slight provocation the constable used obscene language. The magistrate fined him \$5 and costs.

ACCEPT COMPANY'S TERMS.

Ottawa Street Car Men to Receive 19.20 and 22 Cents per Hour.

Ottawa, Ont., May 2.—Employees of the Electric railway company have decided to accept the terms offered by the company in reply to their demand for a flat rate of 25 cents and a nine hour day. The agreement, which went into force this morning, was as follows: For first year of service, men to receive 19 cents an hour. For second and third years, 20 cents. For fourth and fifth years, 22 cents will be paid. On overtime 19 cents an hour more will be paid in each case.

Prevent and Relieve Headache.

"It gives me great pleasure to be able to refer to Dr. Miles' Anti-Pain Pills as the best remedy we have yet had in our house for the prevention and cure of headache. My wife who has been a constant sufferer for a number of years with above complaint joins me in the hope that they may fall into the hands of all sufferers."

JOHN BUSH, Waterlooville, Me.

Used Them Four Years.

Dr. Miles' Anti-Pain Pills are the best I ever tried for the relief of headache. I have used them for nearly four years, and they never fail to give me relief. I have tried many other remedies, but have never found any better.

JOSEPH FRANKOWICK, 854 Tremont Ave., Detroit, Mich.

There is no remedy that will more quickly relieve any form of headache than

Dr. Miles' Anti-Pain Pills.

The best feature of this remarkable remedy is the fact that it does not derange the stomach or leave any disagreeable after-effects.

Price 25c at your druggist. He should supply you. If he does not, send price to us, we forward prepaid.

DR. MILES MEDICAL CO., Toronto.

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House Cleaning Days Are Coming. Run Everybody! And Get A Big Three-Pound Package of Golden West Washing Powder!

It Makes House-Cleaning a Pleasure. Dish Washing a Pleasure. It Cleanses—Purifies—Beautifies And the Premiums are Fine.

Save The Coupons.