

### OTTAWA LETTER.

#### Case of Mr. Blair and Contractor Kitchen.

#### The Dominion Securities Company and Its Sudden Sensational Collapse.

#### Very Little Excitement as Yet Over the Coming Ontario Election—Premier Ross Has a Hard Road to Hoe, Apparently in Ottawa and District.

OTTAWA, May 4.—The minister of railways is in the grasp of fate. There is a firm called the Gilbert Bros. who have got into the habit of dredging in the Galopas Rapids. They are paid \$400 a day, and the member for Grenville, who lives nearby, says that the work they are doing is more harm than good. The minister of railways appears to be somewhat of that opinion, and has explained to the house that he has all along intended to stop it. There is a canal which takes the place of the rapids, and the other channel of the river is generally used when the canal is not taken. As a matter of fact the alleged channel where the dredging takes place, is not used by vessels coming down stream, except very small craft. Mr. Reid of Grenville says that no steamer would navigate these rapids and that though the work was said to have been completed several years ago to a depth of seventeen feet, it is now only ten feet and all vessels avoid the course, even the old propellers which draw less than seven feet of water.

Mr. Blair does not disagree with Mr. Reid. He says, "I cannot say that I see any particular advantage myself in having the work continue, since the canal will afford all the navigation that is necessary. As the hon. gentleman has mentioned the matter, it would be well to have it looked into fully before asking for any further appropriation." Later Mr. Blair stated that he did not get any vote last year for this work. Mr. Reid condemned the appropriation last session, and Mr. Blair says that this week of what took place then, says: "Last year, when the question came up as to whether or not I should ask for an appropriation for this work, in view of what had taken place in parliament and the strong opinion that had been expressed by hon. gentlemen on both sides of the house about it, I declined to ask for any appropriation for it. I understand from the chief engineer that he informed Mr. Blair that there was no appropriation and that the work could not be continued. There is no appropriation in the budget for next year. . . . I do not propose to take the responsibility of continuing the work this year."

Further questioned as to why the work went on and \$50,000 was claimed for operations by this dredge, after the minister had ordered it stopped, Mr. Blair said: "If they have done anything they have done it without any authority. My decision was last year not to proceed with the work. The chief engineer was advised of that, and he notified the contractors there was no appropriation for the purpose, and therefore the work would not be continued. If they have gone and done any work, they certainly had no authority, and it would be against my view that they should go on with the work last summer." But afterwards the minister of railways admitted that the contractors had gone on working and it seems that they are to be paid for the work they did. Moreover, the government had an engineer on the ground, who seems to have supervised and if the contractors carried on their operations under his direction, it can hardly be said that they were working contrary to the orders of the department.

This is rather a singular state of affairs, for it appears that altogether several hundred thousand dollars have been paid to this firm for work which is absolutely useless. Now that the minister and everybody else has decided that the work is of no advantage and ought to be stopped, the contractors go on with it, and the house is asked to pay them \$45 a day, apparently without much regard to whether the work is actually done or not. Mr. Reid says that if the money must be paid to the Gilberts it is much better to pay them to take their dredges and leave the river alone, because they are only making the water lower in the other channel.

But the minister, according to his own story, appears to be quite helpless in the affair. He wants the work stopped, the chief engineer wants it stopped, parliament wants it stopped, all the shipping men who use the river want it stopped, and still it goes on and the people pay for it. Mr. Blair emphasizes his helplessness by saying that he found the work going on when he came to the department and therefore is not much to blame. This seems to indicate that 20 or 30 years hence the contractors will still be working. The canal was not always adequate for the service, and there was some reason perhaps for trying to make these rapids navigable. Now it makes no difference whether they are navigable or not, since there is a much better route. If Mr. Blair is going to keep on for six years and nobody knows how much longer, at every contract which he found in operation when he took office, we can make up our minds that all the canals will be incomplete as long as Mr. Blair is head of the department. It is true that he has not brought anything to an end yet, but we hardly expected the confession that he never expected to do it.

In regard to this particular Galopas business, the Gilbert Bros., who appear to be useful men in elections, are masters of the situation. They write down the programme for the coming season and whether the parliament

votes the money or not, whether ministers and engineers order the work stopped or not, their dredges still float in the St. Lawrence river, sometimes working, sometimes not, but apparently drawing \$45 a day, to be paid out of the supplementary estimates. It is in vain for Mr. Blair to protest. This is Kismet. Fate settles it.

"The moving finger writes, and having writ,  
Moves on, nor all your piety nor wit  
Can lure it back to cancel half a line,  
Nor all your tears wash out a word of it."

But it is not supposed that the minister of railways or any other minister, stands in the way to head off the operation of the contractors at campaign time. This same Mr. Reid of Grenville knows very well how the machine works in his constituency.

Mr. Mulock has devised a scheme whereby the letter carriers shall no longer escape his work. He is going to pay him by the day instead of the year, and when there is no work there will be no pay. Sickness shall no longer count with these officials, who indeed cease to be officials and become laborers. If a man is not on hand when work begins he will lose his day's pay. The postmaster general says that there are entirely too many invalids in the postal service, and he feels quite sure that his measure will immensely improve the health of the letter carriers. He has found in the post office generally that when a man's pay depends upon his work, his health is immensely benefited thereby. The new bill to place the service on a basis of daily pay is expected to be rather better than a sarratium.

Some members of parliament suggest that the letter carriers should not be selected for the particular regulation. They intimate that the percentage of ministers usually absent from their places on account of ill health is rather greater than the percentage of letter carriers. Mr. Mulock admits that letter carriers may get ill in the natural course of events, but they must hereafter do so at their own risk. He throws out a broad but rather ill-natured suggestion that these government employees are too often responsible for their own illness. This sinister suggestion led an opposition member to suggest that such a bill might be the case with some of the ministers, and Mr. Mulock did not pursue the subject further.

The new basis does not apply to letter carriers now in the service unless they choose to come under it, and the minister thinks that some of them will do this. He calculates that it will be to their advantage to do so, unless they have already reached the maximum pay of \$600 under the old system, in which case they will only gain \$15 a year by accepting the new basis, and they will lose more in the abridgement of the privileges than they gain. But new men and all who have not been six or seven years in the service, will, according to the postmaster general, be in a better position than the old carriers, and the old system. This of course depends somewhat upon the state of their health, seeing that there is no sick leave under the new dispensation.

But there is another side to the case. The letter carriers are not satisfied with the old rates and have been led to expect an increase of pay. Such increases have been given to many classes of old officials, fifty per cent. has been added to the infirmity of members, a promise has been made of a new scale to railway men, Mr. Blair claims to have increased the pay in the car shops, and there is a general statement made by members of the house and by government that the cost of living has increased within a few years by about thirty per cent. If the new post office measure is taken the place of the one which Mr. Mulock promised by way of increase to the income of letter carriers, it hardly fills the bill, or at least it is not enough to say for it, that the measure does not make the situation any worse. As a fact Mr. Mulock claims that it will give the public a better return for their money than the old system.

Mr. Heyd of Brantford says the letter carriers have no reason to complain. They are already paid on an average more than is earned by first-class mechanics who have to work many years to learn their trade, who lose their time when they are unable to work, are often out of employment, and at the best of times are not paid more for nine hours of very hard work, than is earned in eight hours by a letter carrier, whose work is much easier. There appears to be a difference of opinion on this point, and the members contend that all classes of working men are inadequately paid, letter carriers among the rest.

This discussion followed one on the salaries of judges. Mr. Lemieux, Mr. Casgrain, Mr. Fitzpatrick, Mr. Borden and other members point out that the judges ought to have more salary. The two members who came from Montreal explain that it is impossible for a judge to keep up a proper establishment on \$5,000 a year, and Mr. Fitzpatrick says that as minister of justice he has had difficulty in finding the right kind of men to take positions on the bench in Ontario. "Two men to whom he offered the position of a judge in the court of appeals declined to accept it, but it was explained by another member that these were judges of another court, who got an allowance from the province in addition to their salary, and who would lose about a thousand dollars a year by the change. It is not known that the members of parliament who have taken judgeships in the last five years, including Mr. Briton, Mr. Barron, Mr. Lister, Mr. Lavergne, Mr. Langelier, Mr. Choquette, raised serious objections to the transfer. In fact it appears some of them at least were rather eager for it. Sir Louis Davies and Mr. Mills, who are now judges of the supreme court of Canada, are not unwilling victims, though of course, it must be said that they get \$7,000 a year, on which no doubt they will manage to live with a certain degree of comfort."

The argument for an increase of judge's salary is stronger when the income of a judge is compared with the

income of a leading lawyer. No doubt some of the men who would be good judges are now earning three or four times the judge's salary, and it is not likely that while they are in the prime of life they would take a seat on the bench. Sir Christopher Robinson or Mr. Aylesworth, or Mr. Leah, would perhaps decline such an appointment, and so probably would Mr. Casgrain or Mr. Greenshields. The same thing happens in England, where judges are paid three times as much as they are here, and leading members of the bar earn three times as much. A judge may receive in England \$5,000 a year, but it was remarked in the Imperial House of Commons the other day there are a number of lawyers in England who earn \$20,000 a year. Still the fact is that Canada pays lower salaries to her judges than any other colony of importance in the empire. And very much less than is paid in England to those who hold even the lowest judicial position. S. D. S.

OTTAWA, May 5.—It is not only in the Upper West that the grasp of fate has hold of the department of railways. Whether the minister or the deputy or some local wire puller or the contractor himself has charge of affairs, there are certain things that continue to be done in spite of all departmental efforts to stop them. When Mr. Burpee and Mr. McManus were in charge of the contractors who were delivering the ties to the Intercolonial they failed. The ties were taken and paid for though they were not wanted and may not be used. In that case the god who had charge of the machinery was Mr. Blair himself who was in charge afterwards "obtained" and carried around in the pocket of a member of parliament, reversed the decision of the local officers. At the Galopas the work goes on, though Mr. Blair himself asserts that he had no intention of proceeding with it, and though the deputy tried to stop it. Whether a letter will be finally produced from the pocket of some member of parliament showing that Mr. Blair privately ordered the contractor to proceed and the superintendent to superintend him, remains to be seen.

The case of Contractor Kitchen in Prince Edward Island is a third instance. Mr. Ferguson was solemnly informed by the secretary of state that Mr. Kitchen's contract stopped at the end of ten miles, that no other contract work was to be taken on. Mr. Ferguson knew better and told Mr. Scott so. Mr. Scott went again to his colleague and the deputy minister of railways emphatically assured him that the Prince Edward Island senator was altogether wrong, and that no work had been authorized, and that yet, and nothing done on the remaining sections of the Murray Harbor railway. All this time Mr. Kitchen was vigorously at work on the second section and this fact was at last impressed upon Mr. Schreiber. Then Mr. Schreiber confessed to the secretary of state that he had not completely notified him, and the secretary of state conveyed this intelligence to Mr. Ferguson, who knew it before. But Mr. Scott said that the department of railways said that instructions had now been sent to stop this work at once, and that no work was to be taken on. Mr. Scott was called for and a contract made in the usual way. This was, no doubt, a sincere statement from the deputy minister of railways, and probably had the authority of the minister. But now it is learned that Contractor Kitchen is not so completely notified to stop. He will go on and complete the second section on his own terms. Whether there is a letter from Mr. Blair to him which caused him to disregard the orders of the deputy minister and the other officers of the railway department is not yet known.

Meanwhile it is suggested that the French liberals will have the opportunity by nominating a candidate of their nationality. Some support is given to that view by the establishment of a new journal in the French language supporting the Laurier and Ross governments, but demanding French power, and intended for the French Canadian people. The immediate occasion of this publication, according to its own announcement, is the recent organization of Greek letter societies in connection with McGill University. The new journal, L'Ontario Français, declares that the societies have for their object the weakening of French influence and the dispersing of the French Canadian people. Its own purpose is to counteract that influence and at the same time to strengthen the cause of Laurier and Ross, who are represented as the tried and true friends of the French Canadian race. S. D. S.

OTTAWA, May 6.—The story of Mr. Kitchen's contract was further discussed by Senator Ferguson yesterday, and the secretary of state yesterday explained that he would not have misled the senate if he had known the facts. The deputy minister of railways would not have misled the secretary of state if he had known that Mr. Kitchen was going on with the work all along the line without orders, and in fact against orders. Mr. Schreiber was ingenious enough to suppose that instructions sent out from the department to a contractor or the superintendent would be regarded, just as Mr. Burpee thought that instructions issued by him concerning ties would have some force, and just as the department thought that the order to stop work on the Galopas would be effective. But in these days contractors are bold enough to do as they like, knowing that they can fix it up with the minister afterwards. According to Senator Ferguson the matter was beautifully fixed up in Prince Edward Island, for he says that during the recent by-election in that province forms having a blank for the name authorizing the recipient to work under Mr. Kitchen were given by liberal candidates to voters. No doubt the same thing operated in the purchases and in the dredging business on the Galopas. Under these circumstances parliamentary authority and departmental authority must give way to the authority of contractors. Government of the people by contractors for contractors is the order of the day.

Mr. Tarte came into the house of commons yesterday in a mood to disarm criticism. He admitted with almost unnecessary emphasis that the telegraph pole affair in the Yukon was a bad business. He says he has told Mr. Charleston that he had no right to make a contract with another officer without the understanding that he would be re-employed as soon as the contract was over. But what is the use of an admission like this? In the public accounts committee Mr. Tarte led off in the effort to conceal the whole transaction, and he succeeded in making it impossible to determine what the actual loss to the country was by giving Mr. Rochester the profit that belonged to the government. If Mr. Rochester had remained an officer of the government and bought the poles as he did from Mr. Johnston, the subcontractor, the country would have got them as cheap as he did. It is pretty well understood that he paid less than a dollar a piece for the poles and sold them to the government for \$32 apiece, making between \$3,000 and \$5,000 a month for the three months in which he was off duty. Mr. Tarte tells us that he reprimanded Mr. Charleston, but he also retained him at the job, and seems to have increased his salary. He is Mr. Tarte's most intimate friend and manager, and will continue to be so to the end of the chapter. Possibly Mr. Rochester was censured, but his salary was shortly afterwards raised from \$200 a month to \$450 a month, and he is now employed fixing up the books. This work is carried on here, and has continued in a leisurely way. Probably an ordinary accountant would square the matter up in a fortnight unless there was something important to conceal. But Mr. Rochester is getting \$100 a month while here, and Mr. Charleston a good deal more, and they have been all winter fixing up the accounts for a few months' operations.

As yet there is very little excitement over the provincial election, which is due in a little over three weeks. Premier Ross has apparently a hard road to hoe in this constituency, which returns two members. There is no absolute compact between different nationalities, but the traditions of both parties are that an English Protestant and a French Catholic run on each ticket for the house of commons, and an English Protestant and Irish Catho-

olic on each ticket for the provincial legislature. At the last dominion election the conservative Protestant and the liberal Frenchman were elected. In the last provincial election the successful candidates were the two English candidates, one on each side.

A conservative convention was held last week, resulting in the selection of Mr. Powell, the conservative sitting member, and Mr. Murphy, a well known Irish Catholic. There was a considerable vote for Mr. Boudreau, as the colleague of Mr. Powell, but the French Canadian gracefully yielded to the majority and is vigorously supporting the ticket.

Before the government convention was held it was known that the English sitting member supporting the government would be accepted, but there was violent disagreement about his colleague. Premier Ross came to the capital, held a public meeting and attended a private seance for the purpose of reconciling the difficulty. He was unsuccessful and the convention was organized without a previous settlement. The competitors for nomination were Mr. D'Arcy Scott, son of the secretary of state, a young lawyer and rather prominent in national societies in the town. The other is ex-Mayor Bingham, a wealthy lumberman, who is a self-made man, and enjoys great popularity among the French Canadians and the whole population in the lower part of the town. He is rather generous with his money and kind to the poor, and during his term as mayor distributed his salary cheques among the charities of the city. He has a larger personal following than Mr. Scott, but his supporters were evidently less skilful in organization. It is charged before the convention was held that it was "packed" in the interest of Mr. Scott. So strong was that opinion that Mr. Bingham announced beforehand that he would not abide by the decision, and Mr. Bingham, whose nomination was taken for granted, also wrote to the chairman in the same sense.

The convention was held. Mr. Scott was nominated, though only by a majority of two. Mr. Bingham refused to accept the decision and Mr. Scott refused to retire. The younger man has a strong and aggressive body of supporters, and he is himself quite determined not to be backed down. Still there is a feeling that his father will cause the sacrifice to be made for him. The secretary of state holds his own office rather by virtue of his long party services than by any great capacity that he shows. His office is a sinecure. He has a son drawing a considerable income in a public capacity. A second son is in government employ and the third may perhaps be withdrawn from the field under the circumstances.

It may be remembered that D'Arcy Scott was one of the principal persons connected with the banquet given to the Redoubt and Yukon men when he was in Ottawa, and that afterwards he was made a member of the executive of the plan of campaign organization which these delegates effected in the United States. Mr. Scott did not allow his name to remain on the Redoubt list, but shortly afterwards dressed at home quite meetings in this town have been quite extreme and aggressive. His father was until a few months ago regarded as the Irish Catholic representative in Sir Wilfrid's cabinet, but the promotion of Mr. Fitzpatrick has rendered it unnecessary in that capacity. It is possible that the present difficulty may lead to a change in the Laurier government, but that will hardly happen before the Ontario elections.

It is not surprising that so many people connected with the Yukon are getting rich. Nobody seems to know how money is expended there and the minister of public works simply confesses ignorance whenever he is questioned. Yesterday Mr. Leonard, the young member for Leval, pronounced statements sent to the department by two government employes at Dawson. Louise Collinet says that she was engaged at \$120 a month to be matron at the court house. She found herself obliged to work morning and night in that building, presumably looking after prisoners and other matters, and says that the rest of the day she was obliged to be a maid servant in the house of Judge Dugas. A man named St. Denis affirms that he was employed as a janitor of the public buildings in Dawson, and Judge Dugas compelled him to be a man servant round his private residence during the greater part of his time. Both state that the judge also compelled them to pay him a share of their salary.

Now this Judge Dugas was a local magistrate at Montreal before his appointment. He is receiving \$5,000 a year salary at Dawson. Last year he was allowed in addition \$3,000 living expenses. The public accounts show that besides this \$3,000 he got the rent of his house paid, his fuel, light and other necessities provided, furniture procured, and apparently everything done for him so that one wonders what he did with the \$3,000. If the statement of these other employes is true he also claimed the personal services of public servants, paid for by the people of Canada, and exacted from them a portion of their salary, whether this was to pay for their board, the minister of justice suggests, cannot be ascertained.

Mr. Fitzpatrick and Mr. Tarte had access to these statements, which were sent to them by the employes mentioned above. They were both dissatisfied with the demand made upon them for domestic services and were finally dismissed, as they say, through the influence of Judge Dugas. But it seems that neither Mr. Tarte nor Mr. Fitzpatrick thought it necessary to do anything in the matter until the affair was brought up in the house. Mr. Tarte simply shrugs his shoulders now and says that if the statements are true the thing ought not to be, but he cannot help it. Mr. Fitzpatrick says that if the statements are true the wrongs did not occur while he was minister and he proposes that the thing shall not happen in the future.

Mr. Borden was very moderate in his criticism, and yet firm in the declaration that the two departments could

not be allowed to submit in this helplessness to such a state of affairs. The matter should certainly be investigated. If the judge in the Yukon has been guilty of the wrong doing charged in these letters the wrong cannot be passed over by saying that the Yukon is a long distance away. Mr. Borden seems to think it is worth while to see that judges are just and honest in the Yukon as well as anywhere else.

It seems to be impossible to impress upon Mr. Tarte any sense of responsibility in the matter. He agrees that the whole thing is wrong, and that whether the story of the girl and the man is true or not, the \$4,000 spent on Judge Dugas' house was wrongly taken. But when it is suggested to him that he should get the money back he says it is impossible, as though a judge in the Yukon was absolutely beyond the jurisdiction of government or parliament. It is almost amusing to find the ministers here, including the minister of justice, treating the supreme court of Dawson and all other officialdom there as if Yukon officers were a gang of outlaws. Mr. Fitzpatrick says that hereafter he will pay Judge Dugas \$5,000 a year salary and \$5,000 living expenses, and will take care he does not get any more. But if it should turn out next year that the judge has had \$4,000 or \$5,000 additional spent on him by the government in heating or lighting his house, or providing personal attendance on his family, or paying his tailor or his grocer, we shall again have the ministers elevating their shoulders and thrusting out their hands in the old helpless Oriental way, and saying that they cannot do anything about it. Now that we have got a telegraph to the Yukon and the route by rail and river is open as that map can go and come quite easily in a few days, it appears to be time that the district was annexed to Canada.

And that reminds us that Mackenzie & Mann have got a verdict from Justice Burbridge for \$37,000. That is their damages through their failure to secure the Yukon contract. What Mr. Sifton made his bargain with them to give them 4,000,000 acres of gold land in the Yukon, as a reward for constructing a short tramway which they would own themselves, he did not wait to see whether parliament would ratify the job. He and Mr. Blair authorized the contractor to go on with the work and take their chances, or rather they should go on with the work and the country would take the chances. The contractors claim to have lost this much money by taking the ministers at their word and going on with their expenditure before the fate of the measure was determined. We think we have responsible government in Canada and profess to maintain parliamentary supremacy. Yet here was a government making a contract within a few days of the meeting of parliament and allowing a third of a million to be spent on it, though the contract itself declared that it was subject to parliamentary approval. It is a little matter of twenty-five cents for each family in Canada and must be paid with the good nature that characterizes the payment of all the unfortunate bills row unloaded upon a good natured population. The consolation is that it might have been worse. It is better to pay ten times three hundred thousand dollars than to have had this contract approved and the whole of the available gold lands of the Yukon left in the grasp of one firm of contractors. The nightmare that hung over the Yukon miner during the three or four months of uncertainty in regard to this contract has been removed. If it only costs a few hundred thousand dollars the other alternative would probably have been thirty or forty million dollars' loss.

It seems like an accumulation of scandals to bring in the Noble affair at the end of this story. But this is where it belongs, for the item of \$18,600 was passed yesterday in the committee, with an energetic protest from Mr. Bennett and others. Here is the story as Mr. Bennett brought it out, and his statement seemed to be confirmed by the official report and the admissions of ministers.

When a large party of the Noble party had respect for Mr. Coste and proper claim for not entering his territory. Charles, over their heads, and they had not a word to say for the fishery. Mr. Borden said that this year, for the first time, the fishery was destroyed. Mr. Borden said that this year, for the first time, the fishery was destroyed. Mr. Borden said that this year, for the first time, the fishery was destroyed.

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It is difficult to enforce the fishing laws on Georgian Bay and has been