

MR. DEWART'S CRUSHING REPLY TO SOLICITOR-GENERAL MEIGHEN

Evasions and Quibbles of the Hair-Splitting Apologist for the International Nickel Company Unsparringly Exposed—Full Report of Mr. Dewart's Magnificent Speech at the Central Ontario Liberal Conference at the City Hall, Belleville, Wednesday, December 6.

(From Friday's Daily)
The outstanding feature of the Central Ontario Liberal Conference at the City Hall on Wednesday, Dec. 6, was the unsparringly arranged of the International Nickel Company and the crushing reply to the shallow sophistries of Solicitor-General Meighen by Mr. H. Hartley Dewart, M.P.P. Mr. Dewart's great speech occupied more than an hour in the delivery and he took up the statements and claims of the solicitor-general serially. The German conspiracy that Mr. Dewart has laid bare with the pitiless logic of conclusive evidence is enough to cause every Canadian the deepest concern. A verbatim report of the speech follows—

It is significant that the Dominion Government has been forced by the discussion of the Nickel question to send its chief apologist and special pleader in the person of the Solicitor-General to Toronto to attempt a defence. The man was well chosen. No one knows better than he how to belaud and evade the main issue by the introduction of side-issues. No one knows better than he the art of evading responsibility by attempting to place the burden upon other shoulders where it does not belong.

But we do not propose that those who are responsible in Canada and in Ontario shall escape. An analysis of the attempt that has been made shows that the charges made have not been met and cannot be answered. And in that failure lies the condemnation of both administrations. The present assurances of Mr. Meighen cannot be accepted in the light that has been cast upon the whole subject, which shows how worthless were his assurances in the past.

Canadian Nickel Does Go to Germany

On the 29th day of February, 1916, Mr. Meighen as Solicitor-General, from his place in the House of Commons, stated:

"I can categorically say to the House that not one pound of Canadian nickel has reached the enemy since the war began."

We know and can prove today that this is not true. The Solicitor-General should have known that it was false when he made the statement. What is the charge that we make and how is it met?

The Charge.
We charge that the Deutschland carried one cargo of Canadian nickel to Germany in August and was

loaded with another in November of this year, purchased in the United States "since the war began," to be used in making the munitions of war and bullets to shoot down our own Canadian boys and our allies.

We charge that the Canadian and Provincial authorities could have and should have taken measures to control our nickel output at Sudbury, from which the Deutschland's shipments came and to secure its refining in Canada as a Canadian industry. Although the war has been in progress for two years and four months, they have done nothing effective and have failed to perform their plain duty, when Australia acted promptly and succeeded under more difficult conditions.

We charge that the International Nickel Company is an alien concern, with German affiliations and connections, and that the Merton Firm in London, England, who are its export agents are a firm with German and enemy affiliations who should not now control and never should have controlled the output and sale of our Canadian Nickel.

We charge that the real reason for the failure to do anything in this crisis which so imperatively called and still calls for action, lies in the close and sinister political connection primarily of the Hon. Frank Cochrane, and secondarily of the Cochrane-Hearst-Ferguson combination with the International Nickel Company. We say it is evidenced by the fact that its subsidiary company, the Canadian Copper Company, has been allowed to escape without payment of an approximate \$2,000,000 of taxation which it justly owes to the Province of Ontario under the Mines Taxation Act and which the Hearst-Ferguson-Lucas-McGarry-Hanna-Pyne Government has not only failed, but refused to collect.

The Providence Journal, secured all the details of the Deutschland's cargo and on November 11th, 1916, stated that "it consists of nine carloads of nickel averaging 40 tons to a car and 10 carloads of crude rubber averaging 18 tons to a car, making a total shipment of 640 tons."

Statement of The Providence Journal

Let me repeat the statement of the Providence Journal which has been already quoted:

"All the Nickel now aboard the Deutschland is part of a large consignment which was purchased in November, 1914, from the International Nickel Company at Communi-

ty, N. J. The Journal discovered that this consignment was taken by the purchasers, ostensibly German-Americans, but really men acting for Heinrich Albert, Fiscal Agent of the German Government in this country, and transported to the storehouses of the Nassau Smelting and Refining Company at the foot of West Twenty-ninth street, North River, New York."

Mr. Meighen's Reply.

What was Mr. Meighen's reply? I shall try to summarize it fairly. That the prohibition of the exportation of nickel from Canada would have tied up United States and other munition plants.

That not a pound of nickel matte leaves Canada without the license of the Canadian Government.

That the entire output of the International Nickel Company was under the control of the British Government's Committee on Enemy Supplies, and, "not a pound goes to a factory in the United States or to a vessel from that country save with the approval of the British Admiralty and the British Government."

That the Dominion Government has since the beginning of the war met with friendly co-operation from the officials of the International Nickel Company.

That fully 1,000,000 pounds of nickel went to Russia in Asia, which I had included as going to others than our Allies.

That the enemy firm of Merton & Company had undergone a change in its personnel, "by which shares formerly held by German subjects, were now held by British subjects, bringing British ownership to 85 per cent with the rest of the shares held in neutral or allied countries."

That considerable quantities of nickel matte came from New Caledonia in 1915 and 1916 and there was also nickel produced in the United States as a by-product to the extent of 100 tons a month, over which Canada had no control at all.

That Mr. George G. S. Lindsey, to whom the now celebrated "Merton" letter was written by the Sales-Agent of the International Nickel Company, had asked the Company for a commission on business to be done "with the Russian Government."

A Few Flaws in Mr. Meighen's Logic.

The weakness of the reply of this painstaking apologist—than whom no one could be more adroit or resourceful—will convince any honest man that there is no real answer to the charges preferred.

Let me deal with Mr. Meighen's last point first.

It is quite true that when speaking in Toronto I spoke of the British that was made by Mr. Lindsey as having been "for the Russian Government." What Mr. Lindsey had stated to me in writing was that he had been asked where he could get "quotations for Nickel for shipment to Russia." The interpretation that I placed upon the phrase was that the enquiry was made on behalf of the Russian Government. I am sorry that my misinterpretation has subjected Mr. Lindsey to any comment. He has stated that the enquiry was not made on behalf of the Russian Government and as a gentleman who is largely interested in minerals he treated the matter as an enquiry in the ordinary course of business. Yet this divergence of statement has been discussed and argued and made the subject of leading Editorials in Conservative papers as if it were the issue that was really being discussed. Only those who desire to be deceived will be drawn aside from the main issue by such tactics.

Why Not Refined in Canada?

Mr. Meighen says that it would have been impossible to prohibit the exportation of nickel from Canada because of its effect upon United States and other munition plants. Granted that such an absolute prohibition would have caused inconvenience or interference—why was nothing done—why was no move made to bring about Canadian control of the refining?

Why were the munition plants not erected in Canada? There were millions of our Canadian money for "Yokum" and "Allison" and their ilk, to enable them to build factories in the United States that should have been erected in Canada. Even Government Shops that might have been usefully employed were not equipped. There was no effort made to establish the refining of Canadian nickel in Canada which could have been enforced by the transfer of a unit of the New Jersey industry to Ontario within nine months after the war began by proper negotiation and pressure, unless the International Nickel Company controlled the Government.

Leaning Upon a Broken Reed.

The trouble was that the hands of the Government were tied. They were relying upon the "friendly consent" and "friendly co-operation" of this alien corporation. There has not been one reason suggested by any apologist for the Government for nickel not being refined to the extent of our full Ontario output entirely in Great Britain and Ontario today.

Why do I emphasize this point? The financial situation is acute today. The Anglo-French Treasury Bills have been withdrawn from the market by J. P. Morgan & Company of New York, owing to the action of the United States Federal Reserve Board. The country that has profited most by the war contracts that have arisen from our misfortunes does not propose to allow further investments in Allied securities. The Wall Street Gazette suggests that war contracts in the United States must be cut off unless our loans are accepted.

The Cochrane Conservative organ in Toronto last Saturday editorially points out in an article headed "A Serious Development," points out the same thing and adds:

"If European munition orders were shut off the industrial fabric of the Republic would experience its first real shock since the war began."

Our Hands Are Tied.

But we in Canada have allowed our hands to be tied by the International Nickel Company and we have neither control of the manufacture and refining of nickel nor of the manufacture of munitions and cannot assist in the financing of the Empire. Truly it is a serious development.

Then we are told by Mr. Meighen that our nickel matte does not leave Canada without the license of the Canadian Government. What good is the license of the Government before the matte is exported when the control over it is lost as soon as it reaches the United States? It is not suggested that with this control there has been the least restriction placed upon the export of any portion of the nickel matte of the International Nickel Company to their own refinery in the United States, or that one ton of it has been refined elsewhere than at the Company's refinery in New Jersey.

An "Explanation" That Does Not Explain.

What Mr. Meighen means by saying that the entire output of the International Nickel Company is under the control of the British Government's "Committee on Enemy Supplies," is something that will require a great deal of explanation, as well as his suggestion of the approval of the British Admiralty and of the British Government.

Mr. Meighen's explanations now do not jibe with what Sir Robert Borden said last February in the House. It was the Canadian arrangements that has been received the DEWART'S SPEECH. Galley's unqualified approval of the British authorities, according to him, in the same debate, according to Mr. Meighen, it was our arrangement with the International Nickel Company that was the effective safe-guard upon which he relied. When Lord Cecil's earlier interview of the 14th October, that "the British Government was perfectly satisfied with the precautions taken and arrangements made by the Canadian Government with respect to nickel." But another cablegram was thought necessary and the reply from the Hon. Bonar Law was received at Ottawa on the 29th November to Sir Robert Borden, through the Governor-General, that the British Government had approved from the first of the arrangement made by the Dominion Government for refined nickel to American plants.

No British Control.

So the arrangement is not a British arrangement. The control is not a British control. It is not the British Government's Committee on "Enemy Supplies" that is acting. The "arrangements" that are approved are those made in Canada—those referred to by Mr. Meighen in the House of Commons last Spring—and the only arrangements of which we have had any evidence were the inspection of the books by Mr. Graham Bell of the Railway Department at Ottawa over which the Hon. Frank Cochrane presides—his inspection being made with the "friendly consent" of the International Nickel Company. But if this "friendly consent" and "friendly consent" of alien enemies, upon their own statement the Government stands condemned because these supervisions have not supervised. The people of Canada want no truck with the International Nickel outfit of the United States Department of Commerce as showing the large quantity of ore some 2,440,000 pounds, that had left the United States in the first seven months of this year and had not reached Great Britain or her Allies, I was met by Mr. Meighen's

Let me quote what he said about the Nickel Question:

Testimony of Ontario's Agent-General
"Eighty per cent. of the nickel of the world is produced in the Province of Ontario, and if British capital had been utilized for the development of the nickel industry of Canada, would that valuable material have found its way by a circuitous route to Krupp's, there to be manufactured into bullets to mow down British soldiers? When that metal was first discovered, the Ontario Government brought the matter to the attention of the Imperial Government, urging that some day the metal might be of immense value to them. 'There it is,' we said, 'take it; make sure it remains in the possession of Britain.' The authorities here strongly objected to take any interest whatever and only since the war revealed the vital importance of this metal has the gravity of the mistake been fully realized. They have now taken such an interest as to ask us in Canada to introduce legislation to prevent in some way that valuable metal getting into the hands of the enemy. That request, however, was not necessary, as immediately after the outbreak of the war, we took steps to prevent the nickel finding its way to Germany. A Commission was appointed, having on its board representative of Canada and of Great Britain. This Commission meets in a few days in this city (London, England) and no doubt satisfactory measures will be adopted for the retention of the nickel supply of Canada within the Empire."

What His Statement Signifies.
This statement of the Agent-General for the Province of Ontario is significant. We learn three things: First—That the Imperial Government asked for Canadian Legislation to prevent nickel getting into the hands of the enemy. Second—That that request was not answered because "we" took steps to prevent the nickel finding its way to Germany. Third—That a Commission was appointed which would meet in a few days in London and no doubt was in March, 1916.

Both Governments Condemned.

Upon the statement of our own Agent-General for Ontario, both Governments are condemned:

1.—No legislation has been passed as requested by the Imperial Government.

2.—The feeble steps taken by the supervision of this Mr. Bell in New Jersey have been ineffectual to prevent our nickel finding its way to Germany.

3.—The Commission that was to adopt satisfactory measures for the retention of the nickel supply of Canada within the Empire has not yet, after some two years of dilatory investigation, made even an interim report or laid before the people of the Province of Ontario and the Dominion of Canada the facts and figures that it must have collected and to which the people are entitled. Mr. Cochrane may have access to them—Mr. Hearst and Mr. Ferguson may have been informed as to what they know—Mr. Meighen may have had their assistance in preparing his reply but the people of this Province who are paying for this Commission care less about what it has learned—and they have no information on the subject.

Who Made the Arrangements?

Again I ask Mr. Meighen, are we relying upon the British authorities or are the British authorities relying upon him and his colleagues, and upon the arrangements that he has made with the "friendly consent" of this alien Nickel Company? We realize now that we have been resting on broken reeds.

People Are Not Satisfied.

The people are not satisfied with the "friendly consent" and "friendly co-operation" of the International Nickel Company that has existed since the beginning of the war. Dr. Heinrich Albert, the Fiscal Agent of the German Government in the United States, was able to rely upon the same "friendly consent" and much more "friendly co-operation" when he was able, through German Americans to purchase in November of 1914, the nickel which went on the Deutschland in August last and the 360 tons with which it is now loaded on its way to Germany. We have been cursed both in Great Britain, in the United States and in Canada with this "friendly co-operation" and "friendly consent" of alien enemies. Upon their own statement the Government stands condemned because these supervisions have not supervised. The people of Canada want no truck with the International Nickel outfit of the United States Department of Commerce as showing the large quantity of ore some 2,440,000 pounds, that had left the United States in the first seven months of this year and had not reached Great Britain or her Allies, I was met by Mr. Meighen's

statement that there were three shipments of about 1,000,000 pounds to Russia in Asia that is to Vladivostok. It is not possible from the American returns to show the exact destination of these other shipments. Mr. Meighen has no doubt got information from the International Nickel Company that no one can obtain in Canada except with their "friendly consent". He has not given his authority. When he does so, it can be checked so as to see whether this was included in the shipments which really reached Russia in Europe by way of Vladivostok.

A Flimsy Alibi.

But he tells us that there has been a considerable import from the French penal colony of New Caledonia into the United States and that there is an American output as a by-product of Copper Ores in the United States, yielding approximately 100 tons a month. My information is that with the care that the French Government has taken wherever its resources are concerned, any New Caledonia ore that finds its way to the United States (formerly refined in Belgium) is refined by the United States Nickel Refining Company of New Jersey and goes to France, Russia and Italy. It is not refined by the International Nickel Company nor is the nickel which is the by-product of United States plants refined by the International Nickel Company. The Nickel or Nickel Matte refined by the International Nickel Company is our Sudbury ore. It is the ore of the International Nickel Company that was sold by that Company to the Fiscal Agent for the German Government and that was loaded on the Deutschland. There can be no evasion—it was the product of our Sudbury mines. The indictment of the Providence Journal cannot be met by any flimsy alibi.

The Leopard Tries to Change Its Spots.

And now I come to the conclusion of the Merton Company. "Can the Ethiop change his skin or the leopard change its spots?" Mr. Meighen thinks that he can. Let us see. The enemy firm of Merton & Company has undergone a change. The shares formerly held by German subjects are now held by British subjects. There is no doubt that changes have been made—that an attempt at reconstruction has been made—that the conditions in Great Britain may have led to the acceptance of this reconstructed firm from a lack of a better medium but it is not a British firm even yet and I shall give you reasons why no reliance should be placed in it by Canada, from authorities who will not be a cused of being partisan.

A "Boiler-Plate" Defence.

No sooner had Mr. Meighen spoken in Toronto than we had a series of boiler-plate articles in the Telegram and the Star—evidently paid for—each in the same strain—each contained the same information dished up in a slightly different form. One was from a gentleman who "had two brothers at the front." The Telegram had an interview with "one intimately in touch with the Nickel situation." But the Cochrane organ had an interview with a gentleman "well informed as to the facts in connection with the control of the Canadian nickel and the supervision, exercise, etc." It was the same interview wherever you found it, but even before the Toronto Star published it—good Sir Simon as it is—had editorially stated that: "The explanation of the whole situation as given in a speech by Hon. Arthur Meighen will probably satisfy most people whose interest in the matter is not partisan, that the Federal Government has been in full consultation with the Imperial Government in regard to the nickel policy followed during the war—that the policy followed is, in fact, Britain's policy which the Administration assists in applying."

Now this "inspired interview" tells us in each case before the war, Merton & Company was controlled by German shareholders to the extent of 55 per cent. It denounces the action of the Prize Court which doomed Merton & Company to suffer loss on these shipments of \$1,500,000. But we are told that the British authorities had to choose between maintaining the efficiency of the Merton & Company organization for its own benefit or allowing that organization to disintegrate. The British Government decided to maintain the Merton & Company organization. The kindly disposed British Government put in auditors to establish the value of the German holdings—our enemies were paid off on the basis of \$1,000 for every \$500 of par value in the shares that constituted the 55 per cent. of German ownership in the company. So that despite the laws against trading with the enemy the British Government permitted the German shareholders in Merton & Company to get \$2.00 for every \$1.00 that they had invested.

The Grip of the Octopus.
Fancy the grip that this German corporation as a Mineral Organization must have had to be able to exact such a toll. While Zeppelins were flying over England and innocent women and children were being killed, the German shareholders in the German octopus were paid in British gold \$2.00 for every \$1.00 that they had invested and we will show that that firm is not yet purged of its iniquity.

Some Who Have Not Been Satisfied.

The situation must have been desperate, when according to the editor of the boiler-plate reports which are being circulated through the leading newspapers of Canada, "The British authorities had to choose between maintaining the efficiency of the Merton & Company organization for its own benefit or allowing that organization to disintegrate." But there are others who have not been so left and are not satisfied yet as to the character of this Corporation. On August 26th, 1916, The Mining and Scientific Press of San Francisco, said:

"We have received a letter from Henry R. Merton & Company, the Metal Merchants in London announcing that 'the shares in our Company heretofore held by German firms, have all been acquired by British subjects, and further, 'the Company's articles of association now contain very stringent provision by virtue of which the Company is now and will always remain under exclusive British control.'"

With such a request, what was the reply of the editor of this American Journal. It gives the American point of view:

"The objection we have expressed to the business connection between this firm, The Frankfort Metallgesellschaft, the American Metal Company, and others, was based, not upon the German control, but on the fact that a small group of International or non-national brokers, and dealers had the control of metal-seeing in Europe and America. That objection remains."

So that we find that this reorganization was not satisfactory to this prominent Journal in San Francisco which may be considered a fairly impartial Judge.

The Australian Government Not Satisfied.

Let us look a little further—there were Australian lead and zinc concentrates upon the Manningtree which was condemned by the Prize Court when Merton & Co., the Angers on the hand of the German Metal Trust, were condemned by Sir Samuel Byrne, and forfeited \$5,000 in freight.

Is the Australian Government satisfied with Merton & Company? Let us see. On the same occasion on which Mr. Richard Reid, the Agent-General for Ontario spoke on the 4th of March, 1916—Hon. J. G. Jenkins, who was from 1905 to 1908 the Agent-General for South Australia in Great Britain and formerly a member of the Cabinet in Australia spoke for Australia. He spoke as an Imperialist of the School of Joseph Chamberlain and said:

Hon. J. G. Jenkins
"Reverting to the mineral trade that went to Germany, I may tell you that the Government there saw practically what had been done; that contracts had been entered into with different companies in Australia, binding them for a certain number of years and to suspend operations in case war broke out. In that they showed that they anticipated war, it was a very clever contract. But our Australian politicians said 'If these contracts are not illegal, we will make them illegal,' and they passed an act of Parliament to cancel them root and branch. Have our people cancelled them here yet? Not yet. They are considering it. They are waiting to see. They are too good to be hurried—some of them; they want to be so exceedingly just and upright. They don't want to hurt the feelings of these pious German Spelter Manufacturers and bomb-droppers. We must look at it very cautiously," they say, "and we must do nothing which would create any impression that we are doing an injustice to these people." I do not believe for a moment that there is any injustice in endeavoring to do justice, which is what we want to do, and I hope there will be sufficient force brought to bear on our Government to compel it to see the necessity of absolutely doing away with these unfair agreements with enemy countries."

The Opinion of the Australian Premier.
I have a further witness to call—I call the Hon. W. M. Hughes, the Premier of Australia. He delivered a speech in the House of Commons at a luncheon given by the United Kingdom of the Empire Parliamentary Association. The Hon. Bonar Law, Secretary of State for the Colonies presiding. There have been such frantic appeals for the endorsement of Mr. Bonar Law recently that

(Continued on Page 15)

STIRRING RECRUITING

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—Keynote of

(From Thursday)

The keynote of so in no uncertain manner cruiting rally last eve Opera House where m high positions in the a gathering which pas their duties and res this hour. Among th visitors were Mr. N. V. M.P.P., leader of the the legislature, Mr. M.P.P., of Toronto, man, and Mayor Dr. Kingston. Among the were Mr. Nelson Par for Prince Edward, noble work in deliv addresses, Mr. E. E. of Prince Edward life Sobell, commanding talion. It is safe to say an audience had such ment of the facts as evening in a series o dresses. The meeting auspices of the 235th was strictly non part Stolar occupied the

"You have shown by here tonight your int elistment of our young ago under the inspirat Arthur Meighen, many doubtless added to 254th Battalion," said "The 235th Battalion" gratulated in their ent ing advantage of the p city of statesmen we from one end of the D other

"If hope that many y enlist under the banner Battalion as a resu meeting. (Cheers)

The 235th Band und Lieut. Laugher ren programme of music w appreciated. Sergt. Me charge of the orchestra which also contributed tainment. The bandqu a novelty, "Come on Germany," the assem the song, Lieut. (Ref. of the 235th sang a p "Be British, be a man peared a second time

Fighting Human

"The call for the y the young women of their duty," was the



Mr Bowman, Who
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HARTLEY DEWART, K.C., M.P.P.
Whose Crushing Reply to the Quibbles and Sophistries of Soli-
citor-General Meighen on the Nickel Question Was the Out-
standing Feature of the Patriotic Conference of Liberals at
the City Hall Wednesday Afternoon.