

"I CANNOT ESTABLISH CHARGES" SAID PROUDFOOT, AS HE TOOK PAPERS AND LEFT ROOM WITH COUNSEL

EVERY LIBERAL MEMBER WITHDREW BUT INVESTIGATION CONTINUED

H. H. Dewart Led the Procession, and After Making a Short Speech Each Opposition Member of the Committee Refused to Act Any Longer, Stating That They Would Call the Attention of the House to System of "Obstruction."

Continued From Page 1.

The desire of worrying the heart out of me. I suppose, however, I have no right to complain."

Sir James Whitney, when called into the box, was asked his knowledge of the whole affair from the first. His answer was very similar to the explanation he made in the house a few days ago, and dealt with the visit of George C. Taylor to his office. "I do not know very much of this thing," he said. "It is two or three years ago, as far as I can judge, that a man came into my office to see me, one whom I did not know by acquaintance."

"He introduced himself," explained Sir James, "as George C. Taylor of the Taylor-Scott Company, and said he had a claim which was delayed, and that Mr. Hanna was evidently determined he would not get it. He said that he did not deserve such treatment, and had given Mr. Hanna \$500 for the election fund some time previous to the election of 1908."

"He became very earnest," said the premier, "and said some things that looked like intimidation. However, I told him that it was useless to attempt to intimidate me."

NO DOUBT OF HIS PURPOSE.

"You spoke in gentle accents," suggested Mr. Nesbitt. "Yes, in gentle accents, but there was no doubt of the impression I wished to convey," said the premier, amid the laughter of the committee.

At this point Sir James expressed one of the warmest tributes to the provincial secretary which have yet been uttered in the province.

He said that he had spoken to Mr. Hanna about the contribution, and that the latter had replied deprecatingly because he knew of the practice of the government of not paying one of the reasons which had caused him to overlook the seriousness of it—a reason which he had not mentioned to Mr. Hanna at the time.

His Great Services. "I felt that the great services of Mr. Hanna to myself, to my colleagues and the province transcended a thousand such little mistakes as these," he said.

"Did you know a flat had been applied for?" asked the counsel. "In some indefinite way I heard that Mr. Cartwright had applied for a flat, but I was practically unaware of what was being done," said the premier.

Knew It Was False. "The man who makes the charge knew it to be a falsehood and put it before the public as a falsehood. The question of the flat never came before me. I never spoke to a human being about it, neither to Mr. Cartwright, Mr. Hanna nor anyone else."

"So you had nothing to do with it in any way?" "Neither directly, indirectly or in any way," said Sir James.

"I had nothing to do with it—no more than Mr. Proudfoot," was the reply. "How would you characterize it then?" "I do not intend to repeat myself. I should not have to use invective on such people," said Sir James.

Heard of Threats. "The premier stated that he had heard of threats of Malsonville, who had at one time stolen a letter from his minister. He thought that he was angry at Mr. Hanna because he had not attempted to save him from his theft at the time."

"Apart from the \$500 contribution, is there any speak or circumstance you have to complain of?" queried Mr. Nesbitt. "Nothing whatever, and I am glad of the opportunity to say so," replied Sir James.

"What do you say of the efficiency of his department?" "It is unexceptionable. There are people who think that all are, but I will say it of this one, there are few instances where a cabinet minister has conducted his department so well, both from a standpoint of result and efficiency."

"Does any member of the committee wish to cross-examine Sir James?" asked the chairman, and the members laughed heartily.

Mr. Hanna's Evidence. "Mr. Hanna was then called to the box. He explained that Taylor was first introduced to him by the late Speaker St. John. The entry of Thorne into the department was explained by the fact that Frank A. Peavey of Port Huron had an excellent office system. In Toronto enquiry showed men to handle such a system getting enormous money, and on Mr. Peavey's recommendation Thorne was appointed accountant for the provin-

I am interested in underfed stokers, or that there is someone who is.

"I have never had a cent interest in them. I do not know a soul who has. I sent for Mr. Mason because I had no recollection of any such thing happening. He said it was the first time that he had ever stood in my office and that he had only made one report that year."

This ended the stoker suggestions. Again the chairman tried to interfere, but the provincial secretary wanted to settle the coal contract insinuations. "Go on," roared the committee.

"As to coal, in the year 1905 when the tenders came in before they were opened, John Swords of Kingston came in to say that he had made a mistake in his tender and that he had overlooked a primeval insurance; that it meant thirteen cents more."

He asked if he could make that change out of the records, regarding the tender it was found to be for \$4.97, while all others were for \$5.60 and upwards.

"Doing as any two individuals between themselves would do," he continued. "I dictated a note to Mr. Christie (the inspector) telling him of the mistake and that the records should be amended. There has never been the suggestion by any one, living or dead of any irregularity in my department during eight years of service."

Out of Order. The minister continued to the end without paying attention to the chairman. Ferguson stated that according to his ruling earlier in the day, the statement was out of order and could not be read, regardless of individual opinion. The examination of Mr. Hanna then continued.

In referring to arbitration, Mr. Hanna stated that he did not desire to hold negotiations with Taylor until he had withdrawn his insulting language of some time before.

"Had any intent been suggested?" was asked. "None whatever."

As to using the word resign, the minister said that he had read that if any such charges as the others of pilfering in his department were proved, he would not be fit to look an honest man in the face.

Thorne's Appointment. He then explained how Thorne came to be appointed arbitrator. He thought that Mr. McNaught had nominated him. Taylor had asked for Mr. McNaught, and Mr. Hanna had agreed, but he had not had time at his disposal to do so.

Mr. Hanna stated that Thorne, in his evidence saying that all personal matters would disappear after the arrangement, was entirely mistaken. The minister had heard no such statement.

He thought the claim altogether extravagant, also there was a substantial one which would reach five figures.

"I was doing the very best I could for the department, but no personal motives influenced me," he said.

Denied Absolutely. The charge of corrupt practice when read was denied flatly. "I did not do so," he said, "and no one today could suggest a thing of Sir James Whitney."

The latter part of the charge was denied in the same way. "The Morning Session." At the opening of the morning session Hon. Wallace Nesbitt stated that on the desire of Mr. Hanna, he wished the committee to have the matter investigated. He explained that the committee had quite properly ruled it out the day before, but that it was desired by the committee to be re-opened. The coal tender referred to by Thorne concerned a 1500 ton contract to John Swords of Kingston in 1905. After Mr. Swords had had intimated his neglect of insurance and storage charges, which would raise the tender price 18 cents per ton, he was allowed by Mr. Hanna, and even so, was easily the lowest tender of all submitted.

"We desire to go into the transaction fully, and Mr. Swords is here to give evidence," he said. "I do not want it said that here, under accusation, we refused to go on."

Chairman Ferguson, however, considered it strictly a matter of procedure and would not allow it to proceed. Here the matter dropped for the time being.

George C. Taylor was then called, and Mr. Dewart began his examination. Witness explained that he had been in the wood-working business for some years, but was not actively engaged at present.

Difference of Opinion. A series of questions dealing with the conditions of contract were asked by the counsel, and Taylor and Proudfoot differed of opinion between the provincial secretary and himself had been given almost at once.

Taylor claimed that he had a missing letter of July 9, '07, although it was not the exact letter in question. It had been written to Mr. Hanna with a schedule attached giving account of worn-out machinery parts which had not been paid for by the government and for which settlement was asked.

"I did not have in the spring of 1908 any interviews with the provincial secretary," asked Mr. Dewart. "Yes, I think so," was the reply, but in a moment he contradicted himself as to the exact time.

Mr. Nesbitt objected to digging of the prosecuting counsel, notwithstanding the fact that it was admitted that the \$500 campaign contribution was accepted.

Mr. Dewart was proceeding and Chairman Ferguson thought he detected a ruse. "No, you must not go on; I see your purpose," he said. The counsel disapproved him, however, and the chairman humbly apologized.

"How can we know that this payment was illegal, corrupt and subversive of good government unless we examine this witness?" asked Mr. Dewart, excitedly.

Mr. Nesbitt pointed out that all that was alleged was that Taylor had made accusations against the minister. "Who was the date of the payment?" asked the chairman. "Nov. 29, 1907," was the reply.

The restriction of the prosecuting counsel's enquiries caused some further discussion, Mr. Dewart maintaining that further examination was necessary, and the chairman thinking all the necessary facts brought forth.

Violent Objection. Hugh Munro of Glengarry and J. C. Elliott of West Middlesex raised violent objection to the latter sentiment and held that the facts known were insufficient to bring a judgment from the committee.

T. Marshall of Monck also raised a protest against the closing of examination on this point. The report would go out thru the country and people

would think the committee had declined to press it.

"I do not care for the newspapers. Let the chips fall where they may," said the chairman.

T. W. McGarry of South Renfrew took up the point by point, and showed that once the admission of the payment was made, nothing remained.

Here the voice of N. W. Rowell broke in. He proposed taking part, but when I see an action so unprecedented in the court of law proposed here, I cannot refrain from speaking to the party funds."

The chairman stated the position here was a different one, the committee doing as they pleased.

The leader of the opposition however continued to state that the inferences must be drawn from the circumstances of the \$500 payment. The proposal was unparliamentary and urged a fair hearing and a just one.

"Were there any other times when you were asked by Mr. Hanna to contribute to party funds?" asked Mr. Dewart of Taylor.

"I object. That should be stricken from the records as impertinent and irrelevant," said Mr. Nesbitt, immediately.

Mr. Dewart fired back that the admission was simply and adroitly made to close the evidence in the left room.

Then came the sensation of the morning, when the prosecuting counsel, together with Mr. Proudfoot, and these members were rebuffed at the action of the committee, and marched from the room in high displeasure. They were followed at intervals by the Liberal members.

"I regret very much to take the action which your conduct necessitates," said Mr. Dewart. "My learned friend has introduced a resolution which follows the \$500 transaction in one which I can see will be followed in the other. I cannot see how it is possible for me to do so."

Mr. Dewart said that if he remained where I could not bring out the facts which were placed in an editorial in The Mail and Empire, the premier and the commonwealth would advance in fair play."

Mr. Proudfoot said: "Can't Establish Charges." "As the author of the charges in question," said Mr. Proudfoot, "I regret the situation which we are placed in here. We are practically where we were in the public accounts committee. I see that to attempt to go further is going to be a repetition of what has taken place. It is apparent to me that I cannot go on and establish the charges I made. I advisedly said to my counsel that I did not see how it could be furthered here, I am not by any means abandoning my position, but I am going to bring it up in the house and give then the benefit of it."

Mr. Nesbitt then expressed his opinion. "I think the committee and the country will say that every latitude was allowed by representing James Whitney and Mr. Hanna in the examination of Mr. Thorne. All sorts of questions and gossip were allowed," he said. He went on to say that he did not object to the grossest leading on the part of Mr. Dewart. He had allowed language put into his mouth, and the leading of a friendly witness.

The point was once the \$500 was taken, did it have any influence on the award? That was answered in the affirmative. He had been told that the desire for scareheads and newspaper notoriety. He felt that Mr. Rowell had reflected on him professionally. He had challenged the prosecuting counsel to call one witness who would dissipate into thin air the mist they were trying to cast about the head of Mr. Hanna.

Remaining Was Useless. C. M. Bowman condemned the steam-roller process instituted in the committee of Monck and suit, and draw it. He was going to withdraw from the committee because remaining in it was useless.

Another member, Mr. McGarry, sprang to his feet to show that the very facts sought yesterday had come this morning.

This called a protest from J. C. Elliott, and a threat to leave because of the situation.

"You may join the procession if you choose," was the chairman's rejoinder.

Mr. Elliott excitedly proclaimed that the investigation had been hindered, and regardless of the premier's promise on the floor of the house, question had been stopped which should have been asked.

"Enough speechmaking and pyrotechnics," commented the chairman. "Mr. Marshall of Monck followed suit, and C. M. Bowman repudiated the suggestion ascribed to Mr. Dewart and Mr. Proudfoot by Mr. McGarry. He charged obstruction, Hugh Munro of Glengarry stated that if properly conducted in the public accounts committee it would never have reached this stage. He claimed that the committee stood in a solid battalion behind the chairman, and joined the procession, with D. Racine bringing up the rear."

Insinuations Ceased. Mr. Nesbitt then examined Mr. Taylor, the latter expressing a desire to clear up certain insinuations made as to the award. Regarding the growth of the claim from \$19,000 to \$20,000, witness stated that there never was a final claim. He was willing to go into every item on the claim.

"This award has been challenged as a corrupt one," was that do you say?" asked the counsel.

"It is absolutely without foundation," was the answer.

"What of the amount?" "I said to Thorne that I thought he would do what was right, but I did not get a great deal out of him. In his judgment, threw out my best claim, that for fuel. No one in the department—Mr. Hanna, Mr. Rowell and the rest would not question it."

He made a challenge. "If you give me the award is not a fair one I am willing to hand back the award and have another arbitration, and if I do not get more than the award I will pay the expenses of the arbitration. Only let a business man and not a politician be the arbitrator."

"When you utterly repudiate that you received one dollar out of the province?" "No," he said.

"Was there a single one of those threats that you had any personal knowledge of?" "No," he said.

The witness further told of an approach by the warden offering more men, and they should pay rent for that room. The claim had come and he did not believe it just treatment from a government. Neither the warden nor Mr. Hanna had anything to do with it, he thought.

The next in order was the examination of J. D. Montgomery, the counsel of the Taylor-Scott Company. "Had the provincial secretary anything to do with the delay of the arbitration on this issue?" was asked. "No, not to my personal knowledge," was the reply.

Pressing For Settlement. He was in time pressing for settlement, and there was suggested an arbitrator rather than a court. He had said that no judge would try a case of account such as this fully. It was urged by the government that the contract had not been signed by the senior inspector, and this was actually the case. So that the contract was questionable so far as the Taylor-Scott Co. were concerned. The matter if it had gone into the courts, might have been a technical ground set up against him were dishonest, that is, taking advantage of technicalities in order to get the award of settling on the merits of the case.

"Was Mr. Hanna's attitude that of one under the influence of improper persuasion?" "No," he seemed under anxiety, however, anxious to save the department at the expense of my client. He thought the award unjust in its pendency. Responding to further questioning, he had not seen the premier, nor had he any knowledge of corrupt practice regarding that issue."

Mr. McNaught Called. The next witness to appear was W. K. McNaught, member for North Toronto. Taylor, whom he knew to some extent, had explained the holding of a flat, and the delay in bringing the case to trial on technical grounds. Taylor was in a nervous condition and apparently on the verge of a break-down. Taylor, in his office, had intimated that a practical arrangement had been made with Mr. Hanna for the extension of contract, but Mr. McNaught thought it poor policy to call on Sir James Whitney. Later he had seen Mr. Hanna and had spoken about it. His acquaintance with L. E. C. Thorne occurred in connection with a housing scheme in Toronto, which he recalled his ability as an accountant.

Mr. McNaught then told of the conference at which the arbitration was arranged and the terms made. It plan to Taylor, Mr. Thorne was in government employ, although suggested as arbitrator. "I was intimated yesterday that you were to communicate it to Sir James?" was the counsel. "It is absolutely untrue," was the quiet rejoinder.

Too Much to Pay. On resumption of the enquiry after luncheon the examination of Mr. McNaught was again taken up by Mr. Nesbitt. The witness told the particulars in connection with the settlement of the Taylor-Scott claim, of the appointment of Mr. Thorne as arbitrator and of the remuneration which had been paid to him for his services. Mr. McNaught said that Thorne had asked \$2000 for the work he had done. He thought it was too much and he was responsible for the payment of \$500 which the government made to him. The witness said that he had seen and examined Mr. Thorne's draft of his award and that it contained from 60 to 100 pages of foolscap.

"Did you see any indications of corruption entering into the award?" asked Mr. Nesbitt. "None whatever," said the witness. "They appeared to be the very opposite."

The most interesting part of Mr. McNaught's testimony was the story he told of Harry Malsonville's attempt to "get even" with Hon. W. J. Hanna for some personal grudge which he had for him. Malsonville called him upon the phone from London and said that while he didn't want to do him any harm, he was determined to give Mr. Hanna the "double cross." He claimed that he had documents in his possession which would throw discredit upon the government," said Mr. McNaught. He had taken care of himself. I was quite satisfied that there were no documents which would throw discredit on the government and I refused to go to see him."

"Did you tell Mr. Hanna of Malsonville's threat?" "Yes, I did, and he told me to tell Malsonville to go ahead as fast as he liked, and that he could publish them on every signboard between Windsor and Montreal."

"If you had been told at that time that Mr. Hanna had received a political contribution of \$500 from Mr. Taylor?" "Yes, I had been told that before by Mr. Taylor himself."

Did Not Pay. John D. Montgomery, K.C., who was solicitor for the Taylor-Scott Co. at the time they were in business at the Central Prison, told a story which should assure the most skeptical person of the thrift of the provincial secretary. If Mr. Taylor thought that he would get exceptional treatment in his \$50,000 claim against the government simply because he had given Mr. Hanna an election contribution of \$500, he was disappointed. Mr. Montgomery's evidence was a further contribution to past proof that slave labor and prison labor does not pay. "Almost everybody that ever began manufacturing in the Central Prison found that the institution was a sink hole," said the witness. Mr. Montgomery said "sink hole" but if he meant zinc hole the effect is just the same. "Taylor, Scott & Co., however, made a success of it," said Mr. Montgomery, "and gave the government \$80,000 in profits."

"Mr. Hanna seemed anxious to hold on to the profits?" asked Mr. Nesbitt. "I felt he was mean about it, that's all. He was niggardly with the disbursement of the money."

"Was there anything to show that Mr. Hanna was giving Mr. Taylor exceptional treatment?" replied Mr. Montgomery. "He seemed to be backing up against Taylor all the time."

"Are you able to tell us from your observations whether there is anything in the charge that the flat was obtained corruptly?" "No," he said.

"Was there anything to show that the attorney-general's department in the ordinary way. Nothing else."

Just before he left the stand Mr. Montgomery stated that at the time which he was questioned. The attorney-general said that he had spoken to no one about the issuance of the flat. Deputy Attorney-General Cartwright said that he had had the flat and he had passed it along in the ordinary way.

NEXT MONDAY

will mark the close of the distribution of Seymour Eaton's Business Book, and which has been such a pronounced success. The World struck a popular chord when they inaugurated the coupon plan of obtaining useful books. Some books depend largely on their fancy binding to secure buyers. Not so with Seymour Eaton's latest business book. It is plain, unpretentious looking, and its outside appearance would not make it a seller, but the 100 Lessons in Business, which it contains, are so useful and necessary to those who aspire to a business career that it occasioned no surprise when the thousands took advantage of the opportunity to secure one through The World's popular coupon plan. There are still some laggards who have neglected to secure one of these books. This notice is directed to them. After next Monday it will be impossible to secure this book. Twelve coupons clipped from consecutively dated issues of The World, together with the charge of 77 cents, which merely covers the cost of duty, freight and packing, will secure it. To those who have not saved the coupons, the presentation of proof at this office of a paid in advance subscription to The Daily World will be accepted in lieu of the coupons. No exceptions will be made to these conditions, as it is only to regular readers of The Daily World this book is available. The book contains 100 lessons, and every lesson is a necessity to a successful business career. For instance, lesson No. 13 deals with commercial interest. Lesson No. 18 exercises in stocks and bonds. No. 19 is the arithmetic of partnership. Double entry book-keeping is taught in 15 lessons. Lesson No. 47 treats of banks and trust companies. Lesson No. 65 is on organization of stock companies. Lesson No. 78 is the lightning calculators' rule, and lesson No. 99 is "miscellaneous in short cuts and principles."

Every young man and woman who aspires to a business career should be in possession of one of these books. Every Business Man who has not had the opportunity of an early business education should also possess one. In fact, every business house, every manufacturer's office, every artisan, every farmer, and every woman who manages her own home should possess one. And the method of obtaining it also gives you the privilege of reading the brightest, best and most up-to-date daily newspaper printed in Canada or any other country. Have The Daily World delivered or mailed to your address. Fill out the attached coupon and enclose it, together with \$1.02, to

The World Office 40 Richmond St. W., Toronto -OR- 15 Main St. East, Hamilton and receive one of these books.

NOTE.—If the book is to be mailed, add 7 cents additional for postage.

Please deliver or mail me The Toronto Daily World until forbid to Name Address Date

THE WORLD CUT OUT THIS COUPON

SAVE THIS COUPON 100 Lessons in Business Offer Good For Short Time Only

Twelve Consecutive Coupons and 77c entitles you to this book.

(By Mail, 34 Cents)

Bring or send your Coupons to The World Office, 40 Richmond St. W., Toronto, or to the branch office, 15 Main St. E., Hamilton.

Thursday, May 1

he had no idea that Mr. Thorne would ultimately buy out the business.

Hon. J. J. Foy was in the witness chair about two minutes. "The grant- ing of the flat" was the subject about which he was questioned. The at-

seven insertions, at 5 cents per word. ed:it

WANTED.

FOR.

ERS, female.

RS.

S.

RES, light, airy work- best of conditions.

JOHNSTON, LTD., Wel- noce streets.

S.

RES, steady work, light, op, under best of condi-

JOHNSTON, LTD., Wel- noce streets.

stess person (day) or could find steady pay- ing engaging us. No men open. No capital re- sity and activity. Write Co., 401 King East, Tor- ed:it

struction.—Practical instruction in automobile re: shop course and Spring term commenced today May 15th and 18th. Limited mem- place today. Descrip- quest. Y.M.C.A. 416-5 Broadview avenue. ed:it

anted to manage country view to partnership. 4661

ted.—Open shop: \$2.25 er day; first-class mid- in \$4 to \$6 per day. Ap- andry Co., Dewey street, set, Hamilton, Ont. ed

adian Government jobs. Write immediately for ones open. Franklin C., Rochester, N.Y. ed:it

office assistant, one purchase orders pri- ary and experience. Box 34

experienced bookkeeper muring office; statu- salary. Box 6, World, 34

cture

doing for many

or do you sell it, pound, or do

ever worries e was ever wor-

we in the city

land. He gets ng about laying ne. His pocket

you have poor

be rich in this

ry copy of this permit anyone eing opened up

ant Ads of this in Lands." fers, and before to hundreds of ger demand for

of brains owns good land.

wer the Ads.

Neuralgic Condition Of the Nerves

In this age of nervous disorders neuralgia is fearfully common. The first thought is of neuralgia in the head or splitting headache, but neuralgia may affect any part of the body in which there are sensitive nerves. The teeth are often blamed and extracted in terror, when the cause of the trouble is in the impoverished condition of the blood and the starved nervous system. While neuralgic pains are usually sharp and shooting, and consequently difficult to locate, the seat of trouble is usually sore and tender under pressure.

Dr. Chase's Nerve Food

50-cents a box, 6 for \$2.50, at all dealers, or Edmanson, Bates & Co., Limited, Toronto.

stored before cure can possibly be effected. In many cases neuralgia is easily curable by the use of Dr. Chase's Nerve Food. The patient is thin and bloodless and needs tonic treatment to form new, rich blood. The application of cloths rung from hot water will afford relief from the suffering, and the regular use of Dr. Chase's Nerve Food for a few weeks will completely overcome the neuralgic condition. Powerful drugs are to be avoided, because of their injurious effect in further weakening the nervous system. The Nerve Food cures by building up the feeble, wasted nerve cells, and for this reason is of lasting benefit.

The restriction of the prosecuting counsel's enquiries caused some further discussion, Mr. Dewart maintaining that further examination was necessary, and the chairman thinking all the necessary facts brought forth.

Violent Objection. Hugh Munro of Glengarry and J. C. Elliott of West Middlesex raised violent objection to the latter sentiment and held that the facts known were insufficient to bring a judgment from the committee.

T. Marshall of Monck also raised a protest against the closing of examination on this point. The report would go out thru the country and people