

THE HERALD

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Please Send In Your Subscriptions.

Forty Millions Wasted.

The report of the commissioners investigating the building of the Grand Trunk Pacific, or National Transcontinental Railway, to which we briefly referred in our last issue, reveals a most appalling public scandal and a most enormous waste of the people's money. Not only did the contracts cost \$173,236,521 more than the Government declared they would cost, but the tremendous sum of \$40,000,000 was actually squandered. Favorite contractors, became millionaires, without doing any work, by simply turning their contracts over to third parties, and simple hangers-on became wealthy by raffle manipulations. Millions of yards of clay and gravel were put in as rock cutting and paid for as such. The commissioners in charge of the enterprise seem to have allowed a free hand to all contractors, and anyone who entered a protest was turned down.

Sir Wilfrid reported over and over again that the road would cost the people of Canada only \$13,000,000, and Mr. Fielding, Minister of Finance repeated that statement. Mr. Fielding made that statement at a public meeting in this Province in 1904. Mr. Blair, who was minister of Railways in the Laurier Government when this railroad scheme was evolved, so emphatically disapproved of it that he resigned his seat in the Cabinet. These are facts known by everyone who has read the newspapers. For years and years, session after session, the Conservative opposition tried to secure some information regarding the status of the work; but invariably the Government turned all enquiry and kept the lid down tight on the graft constantly going in the matter. As soon as possible after coming to power, the Borden Government appointed a competent commission to investigate the business. The report of this commission is now made public and the reasons why the late Government refused information are made manifest—\$40,000,000 of the people's money have been wasted.

Behind that is a tale of extravagance, of recklessness and graft. It is true that the report gives few names as to the beneficiaries apart from the assumption that primarily the profits went to contractors. Who else benefited, is more a matter of surmise than of definite conclusion. That the Liberal party's campaign fund was enriched materially there is no reason to doubt. Just how much found its way to that source may never be known. Politicians have a way of covering up their tracks in such respects, but it is recalled that in the campaigns ever since the Transcontinental was started the Liberals were "flush" and the exposures just made justify the assumption that very much of it came from the public chest, and under the guise of a great public expenditure found its way eventually to those funds which are used to "win over" the electors.

It is estimated that a dozen millionaires have been created, or have had their already great wealth enormously augmented as a result of the building of the Transcontinental Railway. In undertakings of that class a good profit is

always allowable and always expected. Ordinarily there are difficulties and risks. In this case the margin of profit was so abnormal that not only the men at the top but a whole line of understrappers have fattened at the public chest. No one who had anything to do with the building of any large part of the line came away from the completed undertaking without great, and in most cases, excessive profits. It is estimated that they ran all the way from a hundred to five hundred per cent or more. It is true that a number of small operators, the men who subcontracted for a few "stations"—a hundred yards for instance—made only a reasonable profit. They were the exception that proved the rule.

To begin with, when the great job was put up for bidding the conditions precluded any save those of great wealth and security submitting proposals. Contracts that call for deposits of a million dollars are gone after only by big men.

The story has been told of how one firm without turning a spade got \$740,000 despite the fact that the conditions that made this possible were foreseen and were the subject of specific advance protests to the late Government. It was within its power to interfere without being subject to any charge of violating a contractual undertaking. It never turned a hair. Not a move was made to frustrate or prevent a wholly unwarrantable raid upon the public treasury.

It is recalled that the Laurier Government when embarking upon this enterprise gave the whole direction of it to a Commission without a single man of technical qualification in railway construction. The original head of it was a lawyer afterwards succeeded by a lawyer and politician combined, more especially the latter. Another member made corsets, another again was a country store keeper, and a fourth was a grain dealer. Whatever the good faith of the Board might have been considered from the most charitable view point, the utter lack of railway building capacity in itself opened wide the door for all manner of deception and fraud in the undertaking. The Commission rarely went on the work, in any event not until it could be covered by train. Its head engineer directed matters from Ottawa largely, and so it came that almost from the start there were charges of over classification and overbreak. Back in 1908 Major Hodgins upon district "F" became disgusted with the fraud that was being perpetrated and quit. The charges he made were frustrated by political partizanship in a supposedly investigating committee. Finally Mr. Hugh Lumsden, chief engineer, after a trip over the road threw up his job because of what he had seen. In resigning he declared he had lost faith in his superiors. Subsequently he qualified this statement somewhat by limiting its application. An attempted inquiry again was prevented, at least an inquiry under conditions which savored of any fairness.

Eventually a change of government occurs and a real investigation started, not at a committee room at Ottawa by party politicians but out on the work itself. It was conducted by men thoroughly competent to inquire into both the engineering and the legal and contractual ends of the undertaking. All of what Major Hodgins charged has been proven. All of what Hugh Lumsden alleged is substantiated and besides there is an almost unending tale of waste, of extravagance, of rake offs of men made rich and of the public exchequer made poorer in consequence.

A road that was to have cost \$61,000,000 is now a

hundred million over the estimate and is still going strong. If the G. T. P. ever takes over the eastern section it will not pay interest till 1922. By that time construction and interest charges will have mounted to \$234,000,000. The Commission has exposed how and where the money was expended needlessly and unnecessarily after making due allowance for increased cost of labor and materials in recent years. There is little that the present Government can do by way of securing restitution or prosecuting any who have profited. The contracts were so wide open that, whatever the lack of moral justification, there was little that might not be construed as legal. Action of some kind may be taken, but at least one thing will be done. It will be in the form of steps ensuring that the public gets all the facts through the widest publicity of the report of the investigating commission.

Federal Parliament.

Ottawa, Feb. 17.—In one of those eminently fair and common sense speeches which the country has learned to expect from him, Premier Borden introduced the redistribution bill for second reading today. If the principles laid down by the Prime Minister upon the introduction of the measure, and reiterated by him today are followed by the committee the Liberal majority in the senate will have but a slender peg upon which to hang an excuse for its rejection. Mr. Borden again emphasized his desire that the guiding principle of the committee which will be charged with the drafting of the bill, will be the equalization as far as possible of the population of constituencies, and the respecting of municipal boundaries.

As was expected the debate upon the second reading of the bill was brief and unimportant. Sir Wilfrid Laurier paid some little attention to the suggestion that special consideration be given the claims of Prince Edward Island, and contended that no such power could be delegated to any committee or special treatment accorded Prince Edward Island without an amendment to the British North America Act.

He congratulated Mr. Borden, however, upon the fairness of his action in placing the drafting of the measure into the hands of a committee of the House, and hoped that the bill would be "an absolute and accurate expression of the public mind without considerations as to who will win or lose."

Mr. E. M. MacDonald, of Petou argued along the lines indicated by Sir Wilfrid in connection with Prince Edward Island, but Premier Borden in reply showed that special treatment was actually given to Prince Edward Island in 1882, when the Island province was given four seats while entitled only to five. It was "merely the intention of the Government, he pointed out, to give the committee on opportunity of hearing the claims of the Island. There was no intention to depart from the provisions of the N. B. A. Act.

The big fight over the bill, if there is a big fight, will take place when the measure comes back to the Commons for a third reading. There are still whisperings in the corridors that the senate has marked out the bill for destruction.

Premier Borden in moving second reading of his redistribution bill, spoke but briefly, saying that he had little to add to what he had stated in submitting the first reading of the bill.

redistribution before submitting the bill to committee. Parliamentarians, he said, had been puzzled by the clause, "by such authority as parliament may from time to time devise."

Many had suggested that parliament should create a body of judges to adjust the basis of representation but neither party had ever been ready to do this. He went into the history of Canadian redistribution bills, stating that the three first ones, all introduced by the Conservative party, had failed to give general satisfaction while the Liberal measure of 1903, which submitted the question to committee, had worked well and had been little criticized since.

As for the committee which would consider the present bill, he was aware that the majority in this body would be subjected to considerable pressure, most of it from outside the house, to induce it to balance the scales of justice lower on one side than on the other. Sir Wilfrid considered that the guiding principle for the committee should be equalization of population without undue disturbance of the equilibrium of party representation.

Another principle should be the compactness of constituencies, the community of interest and regard for the county unit which was the unit in municipal and judicial systems and thus generally in the public life of Canada. Sir Wilfrid then referred to the allegations made in the house some time ago by Hon. L. P. Pelletier, that the Liberal party had not been entirely true to these principles in 1903. It had been claimed for instance, that the parishes of Lavaltrie, Caughnawaga, Laclolle, Notre-Dame d'Ange, St. Pie and St. Marc in Quebec had been taken away from their proper counties. Sir Wilfrid went into detail to prove that this intended being a departure from the county unit, was only a reaffirmation of this principle, these parishes having been taken by the Conservative bill of 1892 from the counties to which they belonged and being restored in 1903. Caughnawaga, for instance, had been taken from Laprairie in 1892 and put in Chateaugay in 1903.

After stating that the committee must also take cognizance of the principle that the unit of population in urban districts must be greater than in rural ones, Sir Wilfrid went on to deal with the case of Prince Edward Island. The reduced representation of this province, he said, was the matter as regards which parliament had not jurisdiction, and was not a free agent. The only question was one of arithmetic. If Prince Edward Island's case were to be left to committee, Nova Scotia, New Brunswick and Ontario might ask for the same privileges. He thought that the fact that Prince Edward Island's representation was left to the committee was a vicious feature of the bill which might land the Prime Minister in difficulties.

This was only criticism he had to offer but he would also suggest that the committee to which the bill was to be referred consist of nine members instead of seven, to give better representation to the views of the western provinces. He hoped this committee would frame a measure which would be an absolute and accurate expression of the public mind.

Mr. E. M. MacDonald held that it would be impossible to give Prince Edward Island any larger number of members than it was entitled to under the provisions of the B. N. A. act.

"We would have the same rights," said Mr. Carvell of Charlottetown, N. B.

"Yes said Mr. MacDonald, "that would be leaving the door open." He thought the only way in which the question might be dealt with would be to submit an address to the throne to amend the B. N. A. act so that Prince Edward Island's representation might not be reduced, and that such a method would be "well received. In conclusion, he commended the impartial manner in which the Prime Minister had dealt with the whole matter.

Mr. Hughes of Prince Edward Island, stated that there was no doubt Prince Edward Island had believed it was getting six representatives for all time to come when it had entered Confederation.

Hon. L. P. Pelletier observed he could find in Hansard no protests ever made by Prince Edward Island members, when on two previous occasions, the representation of that province had been reduced.

Mr. Hughes complained that the Prime Minister had misrepresented him in stating that he had argued on one occasion against the maintenance of Prince Edward Island representation. He called upon him to withdraw the statement.

W. F. McLean South York, referred to the lack of minority representatives in parliament Toronto had five members, but not one was a labor member representation of political thought throughout the country was quite as desirable as representation of municipalities. Mr. MacLean was in favor of a smaller parliament and also of smaller provincial legislatures. He also suggested a Maritime Union to increase the strength of those provinces in the commons.

After the next election there should be a constitutional revision to deal with question, and many of long standing that were demanding a settlement.

Hon. G. P. Graham thought there was much to be said for representation of minorities. Proportional representation might be tried out in Canada without any bad effect, he felt.

As confederation was passed upon a compromise he would be willing to see an arrangement worked out by which the smaller provinces would retain their representation. There was something wrong with the present basis, so far as minorities were concerned. In 1911 there were but 44,491 more Conservative votes than Liberal votes, being about the number required to elect seven members. Thus if there were proportional representation the present house would consist of 114 Conservatives and 107 Liberals. Ontario would be sending 98 Liberals and 48 Conservatives.

Mr. A. A. MacLean of Prince Edward Island said the Island had refused to enter confederation unless it were granted six members, and had considered it would always be entitled to this representation when it had done so. Only after legislative action had been taken had it found his mistake. He thought the redistribution committee could consider and make recommendations in regard to Prince Edward Island.

Premier Borden spoke at the evening sitting, replying briefly to some of the points that had been raised, particularly with references to Prince Edward Island. He moved the adjournment of the debate to Thursday.

Mr. Borden defended his course in leaving the settlement of Prince Edward Island representation to the committee. It was desirable, he thought, that the situation in that province should be carefully considered. If there had been any departure from the Confederation compact, as had been charged, it must have been under the regime of the present leader of the opposition.

Replying to Mr. E. N. MacDonald's suggestion that the right way to deal with Prince Edward Island would be to secure an amendment to the B. N. A. act, Mr. Borden said that there were cases where legislation had been passed by this parliament, subject to the ratification of the Imperial parliament.

Until further advised the "Ocean Limited" between Montreal and Halifax will be discontinued after trip leaving Montreal and Halifax, Sunday, February 1st, 1914, February 4, 1914-41.

The Market Prices.

Table with market prices for various goods: Butter, Eggs, Chickens, Flour, Beef, Pork, Fish, etc.

MOORE & McLEOD

The Busiest Store on Charlottetown's Busiest Street.

Enormous January Clearing Sale

Discounts 20 to 50 per Cent in Every Dep't

Women's Department

During the days of this great sale you will have an opportunity to secure in this department your choice of the best assortment of coats, suits, dresses, waists, and other ready-to-wear garments that has ever been shown in this Province. It is the policy of this store to clear out in its own season every garment bought. That is our main reason why we offer in this great sale a discount of

25 Per Cent.

Now is the Time to Buy Furs

Twenty per cent off muffs, twenty per cent off all neck pieces, twenty per cent off all fur caps, twenty per cent off all children's furs, twenty per cent off all corsets, twenty per cent off all underwear, twenty per cent off all aprons, twenty per cent off all undershirts. There never has been such an unparalleled opportunity to secure what is best and newest in ready-to-wear goods, at real reductions such as these. You know that a sale means here, that the prices are actually reduced exactly as we say. That has always been our policy, and always will.

All Dress Goods and Suitings

Yours at a quarter less than regular price.

This whole great stock of dress goods is offered you at a complete price reduction of 25 per cent. There are in this section up to the minute fabrics of a score of different kinds—and a great range of each. You may choose today at a quarter less than the marked price in each case.

25 Per Cent Discount Off Silks

There are good silks of every kind—and any lady will tell you that the best silks for the money—any time and all the time are shown here. Come in, get your new dress—please do not ask for samples—and please do not say "charge it," we have lost our piece of chalk, and won't find it till after this sale is over. Shop early each day.

One Third Off Lace, Neck Wear, Veiling

The majority of all the goods offered in this department is not more than two to three months old—new—direct from the maker in most cases.

25 Per Cent Discount Off All Wash Goods

Here is where you pick up a bargain in flannelette, Molleton, Duck and the rest.

Call and see the extraordinary value offered in all lines at these reduced prices. Come early and have your choice of the immense stock offered. Jan. 7, 1913-14

THE RECORD

Fox and Fur Company, Ltd.

(To be Incorporated) Offers to the public an opportunity of investing in Fifteen (15) Pairs Choice Dark Cross-Bred Foxes

Capitalized at \$50,000.00

Divided into 2,000 shares of \$25.00 each.

PROVISIONAL DIRECTORS: S. R. Jenkins, M. D., M. L. A., President; D. A. McKinnon, Vice-President; Capt. Ernest Kemp, Sec'y-Treasurer; Chas. Lyons, Mayor of Charlottetown; Samuel Craig, Charlottetown; Robert N. Tomlins, Charlottetown; A. J. MacAdam, Charlottetown; Bankers—Royal Bank of Canada

Record Fox Company

The foxes owned by this company are now mated, and comprise fifteen (15) pairs choice dark cross-bred animals, procured from litters containing a large per centage of pure blacks. They have been selected by experts thoroughly qualified to judge of fur values and show from 50 to 90 per cent black.

With the phenomenal advance within the past few months in the price of fur from such stock, resulting in active demand for the live animals as breeders; also from the probability of producing some black pup, there is every prospect of a handsome dividend from them by next September. Only a limited number of shares are being offered, so if interested it would be well to communicate without delay with any of the Provisional Directors, or with the Secretary-Treasurer, Capt. Ernest Kemp, 115 Rochfort Street, Charlottetown, P. E. I. Terms 50 per cent. in cash to accompany application. Balance in 30 days. Prospectus will be mailed on application. Jan. 7, 1914-15

LOCAL & OTHER IT

The Quebec Legislature prorogued Thursday last.

A large fishing steamer, Felle, of Inland waters, and all on board were drowned.

Donald Grant and Robt. Ashby, Grand Trunk Section Men, were killed a train near Whitty Out, and

His sled slowing and striking another caused a large pole to topple on the head of Peter Lavine at the other day. It killed him

The pumping station of the Maritime Light and Heat Co., at Hyacinth was blown up John Spicer was killed and fatally hurt.

Five persons were injured when a bank Railroad's Continental Limited into three road engines at Deserter. The engineer of the passenger train blinded by the snow.

The official thermometer here registered 20 degrees below zero Saturday. At several other stations the mercury was some degrees lower. This is the coldest this winter.

Two freight trains on the latter collided near St. Louis Quebec. No one was hurt but both engines and two cars badly damaged. The Maritime Express Halifax was delayed 6 hours.

The Bermuda Legislative Council passed a bill to subsidize the Steamship Lines Ltd. for a weekly service between New York and Bermuda, at a rate of \$25,000. It is to be an 18 service.

A series of earth shocks at California between two and four 20 manager. Many people awakened by trembling of foundations and rattling windows made for the open. No one injured and little or no damage was

The severest windstorm for some sweeps the colony by being three days last week. Two men drowned on the south coast, and schooners driven off. It is feared they may go under with all hands.

Five firemen were injured at Elm Tuesday evening by being thrown from a motor truck when going to a fire. Swift Canadian Packing Plant. The ran into a pile of ice on a railway. All five were hurled into the air. The fire necessitated sending them hospital.

On the Great Northern near Belle Washington last Friday night three men shot three passengers dead. The killed. Thos. Wadsworth, Vancouver, C. C. Conductor and H. B. Atkinson, a cover Commercial traveller, and S. H. clerk of the Puget Sound Navy Yard. Bandits robbed the passengers, stopping train by pulling a ball cord and dispa

The Committee in charge of distribution, named by Premier Borden made up of the following members: House: Hon. Robert Egger, Hon. Pelletier, Hon. Dr. Reid, Mr. Borden and Mr. R. B. Bousie from Government side and Dr. E. B. Bousie, Bushman, E. M. MacDonald and Pardee representing the opposition.

The sixteen year old son of a Gloucester new Brunswick's Superintendent of Immigration, was killed last of day morning by a train on the Laurier. He and father were coming from field to St. John. The father caught train but his boy was swung by and ran over and daged. His legs were broken.

A serious and fatal accident occurred the Bactonics and Moncton railway Friday last. The road was blocked snow and a train was in the act of the track. The train had 700 tons of freight. It was backed up a to get more fuel. The whole engines and snow plow went over embankment and four men were and three seriously injured. All killed injured were railroad men.

A man named David McDonald, 65 years of age, living alone at H near Souris, was burned to death which destroyed his house on morning last. Early in the morning was seen out and it is thought by extending his stick. Some time wards two nephews, Joseph and McDonald, saw smoke rising from house. They hastened thither and in the window of his bedroom. The smoke was not to bed, when the spent itself the floor of the house was found to have fallen in and debris parts of the man's dinner remain were found. It is thought made on a fire and then removed from the bed placing it by fire and then lay down and went. The bedding evidently caught fire was probably suffocated before he save himself. The remains were neighbors and were buried on St. Souris on Monday. He is survived brother in Western Canada R. I.

We deeply regret to learn destruction by fire, on Thursday the five parochial residences at the Catholic Church at Morrell, Mr. McIntyre, Pastor. When the fire Father McIntyre was in the house he saw dense columns of emerging from the eaves. Neigh quickly summoned and despair made to save the building but the weather conditions and heavy snow which impeded the work efforts proved fatal, the building completely consumed, valuable furniture however but only the strenuous efforts of the prevented the church near by from the same fate as the parochial. The fire is thought to have from a defective ketchen. If damage is estimated at about \$25 very little insurance. At present McIntyre and his sister are making home with Mr Ambrose Phelan.