

The Evening Times Star

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OTHER PAYMENTS MAKE TOTAL OF \$125,000 OR \$130,000

G. H. Lindsay and W. B. Tennant Add to Valley Railway Story

Mr. Tennant Admits Getting Upwards of \$130,000 But Says He Still Has Most of it—Declares None Used For Political Purposes—Second Payment of \$20,000 and Election Note of \$23,000 About Same Time Merely a Coincident

G. Howard Lindsay and W. B. Tennant were the witnesses at the Valley Railway inquiry which was resumed in the court house this morning before Commissioner J. M. Stevens, K.C., of Edmundston.

Mr. Lindsay confirmed the evidence given by Thomas Cozzolino as to a partnership agreement between the Nova Scotia Construction Company, of which he is vice-president and managing director, and Mr. Tennant. He also confirmed the payment of \$100,000 to Mr. Tennant when the contract was signed and told of a further payment of \$20,000, at the time the second contract was signed. He explained that these sums were advance profits.

In confirmation of the payment of the first sum, the witness produced receipts, which he afterwards said had been sent to their office since Mr. Cozzolino had given his evidence.

As a final admission before leaving the stand, he said that the payments were not made until the contracts were signed and he would consider that value received.

Mr. Tennant admitted receiving the money and said that he still has it, in his business. He declared that none of it was used directly or indirectly for political purposes, except possibly \$2,500 or \$3,000, which he had spent at the time of the last election. He admitted that he did not expect the public to believe this but added that he did not care a snap of his fingers for public opinion.

Mr. Tennant continued his evidence when the court resumed after lunch.

Mr. Lindsay on Stand

When the session opened, G. Howard Lindsay, vice-president and managing director of the Nova Scotia Construction Company of Sydney, took the stand and was sworn. Asked by Mr. Carvell to tell what he knew of the Valley Railway contract and of W. B. Tennant's connection with the company, he spoke of the opening of negotiations.

"Some time before this contract was entered into," he said, "I had written a letter to W. B. Tennant, with whom I had been associated in other business matters, asking him if there was anything likely to come up in St. John or New Brunswick worth going after. That would be prior to getting this contract in December, 1916. Mr. Tennant answered that he would be glad to represent us as requested in my letter."

Q.—What was your connection with Mr. Tennant before this?

A.—We had tendered on the Courtenay Bay work, the breakwater and quay.

Q.—Any other associations between you and that time?

A.—No.

Q.—Nothing but on federal works in Courtenay Bay, and other works in St. John, before this?

A.—No.

Q.—Was not the whole contract let to Norton-Griffiths long before that?

A.—Yes, but we were tendering for a sub-contract.

Q.—You did not get it?

A.—No.

Q.—What was your arrangement with Mr. Tennant? Mr. Cozzolino has testified that you had reported it was necessary to have a New Brunswick man here and the arrangements were left in your hands.

A.—That is correct.

Q.—Why was it necessary to have Mr. Tennant or any other N. B. man here to represent you?

A.—It was not necessary, but we already had established Mr. Tennant as our agent for this class of work.

Q.—Would you have taken him in as a partner if it had been for other than government work?

A.—Yes, we would.

In reply to a question regarding Mr. Lindsay's arrangement with Mr. Tennant, the correspondence was produced.

The first portion was a letter to Mr. Tennant asking him to act as agent for the company in New Brunswick on reasonable terms of remuneration. The letter stipulated that the company should have Mr. Tennant's "exclusive good-will" in connection with such works in the province. Reference was made to previous services and further discussion of remuneration was suggested in a general way.

On Oct. 4, Mr. Tennant wrote accepting this offer. On Oct. 14 he wrote suggesting that an effort be made to secure the Valley Railway contract and, in a letter bearing the same date, Mr. Lindsay wrote from Halifax urging him to go ahead with the negotiations.

Mr. Carvell:—There is nothing here definite about remuneration.

Q.—It was to be fixed on each contract.

Mr. Carvell:—When did the matter come up next?

Answer:—When we arranged for the Valley Railway contract, we arranged we were to share profits equally.

Q.—That was in writing?

Witness said there was an agreement in writing, but he did not have it with him.

In reply to Mr. Carvell, witness said the deposit with his tender was \$117,500. This was retained for several months; he did not know why, except that he understood it was the lowest.

Q.—Did you have any further conversation with Mr. Tennant?

A.—Yes, about the time of the new tenders.

Q.—Did you have any conversation with any other man in St. John about the contract?

German Crops Burning In Drought Unprecedented Heat Wave—Dry Since Early In May

Copenhagen, June 19, Via London.—Throughout Germany, according to reports here, all available grain crops are unprecedented heat wave. A prolonged severe year's experience of the weather also reported everywhere west of the North Sea. The effect of the drought on grain crops around Berlin have fallen since May 1 is described by a neutral, who arrived here on Friday, as almost catastrophic.

Mr. Carvell:—Did you pay him any salary?

A.—\$6,000 a year, out of his profits.

Q.—Were there any other payments?

A.—Only small sums, for travelling expenses, etc.

The witness denied that he had paid any money to Mr. Tennant in September, 1916, that no money was paid by the company, to his knowledge nor by any other member of the company, unless out of their own pockets, and he did not think they did.

The witness denied that he had paid any other monies on Mr. Tennant's order or at his direction and had not paid any money for political purposes in 1916 or at any other time.

The tender submitted by Kennedy & McDonald was produced; the witness said he never had seen it before.

Mr. Carvell remarked that the figures were so uniform with those of Mr. Lindsay's company, though all a little higher, that Ross Thompson had sworn that he believed there was collusion between them. The witness denied this; he could not explain the similarity. He had not given the figures to Kennedy & McDonald, and did not know how they could get them. He thought even Mr. Carvell did not know the details. He had his papers in Mr. Tennant's office from time to time, but did not think Mr. Tennant saw them.

Q.—Before you put in your tender, did you have any agreement with Mr. Tennant regarding sub-contractors?

A.—He mentioned several firms whom he would like to see get contracts if their figures were right. He mentioned Kennedy & McDonald, and Smith & Merrithew, and possibly some others.

Q.—Who were the others? We knew of these? It is the others we are interested in.

A.—I can't remember the others.

Q.—But these firms got much more favorable terms than the others?

A.—Kennedy & McDonald do.

Q.—Mr. Fox tells us that Smith & Merrithew do, too.

A.—He must have been suffering from an illusion.

After a discussion of details of terms, the witness agreed that if the prices for rock-cutting, loose rock and earth excavated were the same, the contractor need not worry about other items.

Q.—Why did you give these firms better terms than the others?

A.—We had a long time dicker with the old man. He always wants everything in sight.

Q.—Why did you give it to him?

A.—By Mr. Tennant.

Q.—Did you not pay the money and have it rushed and were willing to give them more because of their established reputation? As it is, they are continually claiming that they are losing money and going behind.

Q.—Do you expect anything else?

A.—Yes, in another side of the question, but the filling my office with claims for extras.

Q.—You don't have to pay them all, do you?

A.—No.

Q.—What was your reason for giving special terms to Smith & Merrithew?

A.—I was the same thing. They were recommended to me as a good firm and I used my own judgment.

Q.—They did not have the same equipment or reputation as Kennedy & McDonald, did they?

A.—Perhaps not, but they were recommended to me.

Q.—By Mr. Tennant?

A.—By him and others. They promised to put on heavy equipment, and I arranged with them on my own judgment.

Q.—Did Kennedy & McDonald have a silent partner, like you had?

A.—Like we had?

Q.—Wouldn't you call Mr. Tennant that? It was a great surprise to me and the people of New Brunswick to learn that the only connection he had with Mr. Carvell—suppose not, after you had paid him \$120,000.

Q.—Well, did they have a silent partner?

A.—A fellow named Nagle did some negotiating for them.

Q.—Was that Mr. Thomas Nagle, a prominent citizen of St. John?

A.—Yes.

Q.—Did Smith & Merrithew have a silent partner?

A.—I think Mr. Smith told me that Robert Arnell of Woodstock or Fredericton was interested.

The second contract for the Andover Centre section was produced and shown to the witness.

Q.—You notice that the date of the contract is the day before you paid Mr. Tennant the \$20,000?

A.—Apparently.

Q.—Was there any connection between the two transactions?

A.—The payment was made as part of our original agreement.

Q.—Was there a special arrangement about this payment and this contract?

A.—No.

Mr. Carvell drew attention to the provisions of the contract of May, 1916, which fixed the prices for the northern section, if undertaken, and asked why the new contract at higher rates was signed.

The witness explained that it was due to the increased cost of labor and materials.

In reply to further questions, witness said that he had not agreed to pay any money, become responsible for any sums, sign notes or accept drafts as a result of the new contract. He denied that the payment of \$20,000 had anything to do with it, and said that the latter transaction was purely a matter of accommodation for Mr. Tennant.

Asked about some trouble Kennedy & McDonald had regarding a sub-contract with Longley & Innis, the witness turned to his correspondence. Under date of Nov. 28, 1916, Mr. Lindsay wrote Mr. Tennant, saying that if he could arrange satisfactorily other matters, he would recommend that Kennedy & McDonald should be allowed to give the sub-contract to Longley & Innis. Witness explained that this stipulation was due only to the necessity of securing the directors' consent to all sub-con-

River Near To Freshet Height

Fredericton, June 19.—The St. John river here is now but a few inches below the highest point reached in the spring freshet and is expected to surpass this height. An enormous volume of water is pouring down. At Woodstock last night the water rose only one foot and that is taken as indicating that the height of the flood will be reached here tomorrow unless there is more rain.

Mill owners have been hard hit by the freshet. Lumber in the pond of Joseph Hawkins' mill at Nashwaakisis was swept over the dam last evening and into the deadwater of the Nashwaakisis. There it was secured, but it is some distance below the mill. Rafts owned by W. D. Gunter, moored above the Fredericton-St. Mary's highway bridge, were badly broken up early this morning.

The strong current forced the rafts upon the granite piers of the bridge and threatened to bear them down upon the houses and other property of the St. John River log driving company below.

One hundred and six recruits for the Canadian Expeditionary Force were passed by medical officers here yesterday. The Forestry unit gets four, the C. A. M. C. two, the Canadian Engineers two and the 280th Highlanders the balance. Of the 223 recruits secured for the Kilties in Boston, only four have been rejected here for physical defects.

The sailing yacht Gracie N., of the R. C. Y. C., St. John, arrived here last night and moored at the A and B club house wharf. The party aboard was composed of John Barton, William McLaughlin and Harry Weagle.

DEMONSTRATIONS BY SENN FEINERS Two Arrests Made in Dublin—Pesters Torn Down

Dublin, June 19.—Several demonstrations were held late last night in connection with the return of the released Sinn Feiners to Dublin. Two men climbed the walls of the ruined post office building and threw the Sinn Fein flag. The crowds sang the Sinn Fein song and amid great cheering tore down recruiting posters.

The police did not interfere until about two o'clock this morning when two demonstrators were arrested and charged with breaking into the post office and setting fire to timbers. The police later dispersed several marching bands.

Q.—Well, then, tell us what it was for.

Mr. Carvell:—Mr. Carvell said that no one who read the evidence would doubt that the \$20,000 was for political purposes, even if it was not earmarked for a special purpose. The objection was over-ruled.

Mr. Tennant:—"The note was made and it was understood that it was to be paid from an entirely different source and it is so understood today."

Q.—How much of it was for the political elections?

A.—\$16,000 or \$17,000.

Q.—And you turned round and got \$20,000?

A.—I had nothing to do with that.

Q.—Do you expect to make the people of New Brunswick believe that?

A.—I do not. I do not care what they think. I do not give a snap of my fingers. I have made some money in this business and I still have it. I have done something in politics but not much.

Regarding the second contract, the witness said that he had not had anything to do with arranging for it. He did not deny that members of the government knew he was a member of the company but would not say that this had influenced anyone to come to him for money for political purposes.

Q.—What have you done with this \$100,000?

A.—I have it in my business.

Q.—All of it?

A.—I spent \$2,500 or \$3,000 in connection with the last election; you might call it out of this fund; it was out of my own pocket.

Q.—What did you do with the money when you received it?

A.—It went into stocks and bonds and mortgages and cash; a good deal of it in stocks.

Q.—Have you the securities?

A.—Yes; some of them have changed.

Q.—Have you delivered any of them to any person for other than business reasons?

A.—No.

The witness denied that any of the money had been used in the Carleton election.

The only other money he had received was \$5,000 from St. George's College in several sums by drafts to cover traveling expenses and salary. This might be \$2,000 or \$3,000. When asked if \$120,000 would cover the entire amount he had received from the company the witness said that \$120,000 or \$130,000 would cover it. On his own statement he has been sold in the afternoon session, adjournment was made for lunch.

POLES BREAK WITH VIENNA Relations With Austrian Government End CABINET CRISIS CAUSED

London, June 19.—The Poles have completely broken off relations with the Austrian government, says a despatch to Reuters, Ltd., from Zurich, Switzerland, quoting advices. This action, the correspondent adds, has caused a serious cabinet crisis.

After a long debate on Saturday the Polish Club sent a full note on the government's budget and said it would negotiate with a new cabinet.

Zurich, June 19, via Paris.—A Polish deputy named Dazinski declared in the Vienna Reichsrath that more than 30,000 Poles have been hanged by order of the German authorities. This is according to the Vienna Arbeiter Zeitung, which prints special details of the sittings of the Reichsrath on the 14th and 15th.

Deputy Strimbery also described the abominable treatment accorded political suspects whereupon a pan-Germanic Deputy Heine, shouted: "They haven't used the rope enough; all of them ought to have been hanged."

At these words, all the Slav and Polish members rushed up Heine and the president was obliged to suspend the sitting in the midst of a tremendous uproar.

THE FIGHTING

London, June 19.—Parties of our troops raided the enemy's positions last night southeast of Leveguier and in the neighborhood of the Bapaume-Cambrai road, says today's official statement. "Several of the enemy were killed and his dugouts were destroyed. We captured eleven prisoners."

The Struma Valley

London, June 19.—Referring to the evacuation of the Struma Valley region as reported in the Bulgarian official communication, the Times says the entire abandoned country is low, without trees or shelter, and intensely hot. It is damp and unhealthy and in the summer time is malarious. Even when captured by the British last autumn, the Times adds, the region was found to be unsanitary.

German Losses Heavy

Paris, June 19.—The Germans made an attack last night on positions in the Champagne between Mont Blond and Mont Carville, which were taken by the French yesterday. Today's official statement says the Germans were repulsed with heavy losses. Violent artillery fighting occurred in the Champagne.

London, June 19.—A despatch to Reuters, Ltd., from Petrograd says the anarchists have seized the editorial rooms and printing offices of a republican newspaper, Russika Vola.

BRITTON AGREES AS TO BOUT WITH TED WILLIS

Dayton, Ohio, June 19.—Jack Britton has agreed to an official of a Dayton gymnastic club as referee and will meet Ted Willis in a 20 round battle to a decision for the welterweight championship here on June 25. The bout will be an open air contest.

CARLETON MATTER

Joseph Lynch was reported by Sergeant O'Neil in the police court this morning for allowing a horse to wander at large in West St. John. It was shown that the horse was owned by James Carleton and Lynch was a hired man. The magistrate gave a warning and allowed the fine to stand.

Cost \$16.50 to Spend \$6

A Revelation Before the Public Accounts Committee—Lancaster Sidewalks Bill Amended and Recommended

Fredericton, N. B., June 19.—The Public Accounts committee this morning took up the expenditures of the public works department and those relating to roads and bridges came in for considerable adverse criticism. The system under which the structural superintendents dealt with the payments was particularly condemned. In one case it appeared that it cost \$16.50 for the superintendent to make an expenditure of \$6 only. The committee will go further into this matter tomorrow.

The agricultural committee had the question of sheep industry under discussion and will ask the government to bring in a bill which will afford a greater protection against dogs and wild cats. The municipalities committee recommended bills relating to Port Elgin village and to authorize the Moncton council to sell certain lands. They also agreed to bills to authorize Moncton to issue debentures to amend the rates and taxes act, to permit the city and county of St. John to tax for patriotic purposes to amend the City of Fredericton assessment act, to authorize the City of Fredericton to tear down dangerous buildings and a bill relating to permanent sidewalks in the parish of Lancaster with some amendments.

TWO IRISH MISSIONS TO UNITED STATES

Dublin, June 19.—The provisional executive of the Sinn Fein has decided to demand passports for the three of its members to proceed to the United States for the purpose of opposing the objects of the Irish party mission there.

No previous word has been received that an Irish mission was to come to the United States.

QUARTER MILLION LOSS IN FIRE AT SOREL

Montreal, June 19.—Fire early this morning in the waterfront district of the town of Sorel, destroyed property estimated at \$250,000 including the shops of the Calumet Steamship Company and a number of small vessels.

GOOD HORSES GO TO STATES

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WEATHER REPORT

Issued by Authority of the Department of Marine and Fisheries, R. F. Stupart, director of meteorological service.

Synopsis.—The depression which covered Manitoba and Minnesota yesterday morning is now situated over Lake Superior. Showers have occurred locally again in Saskatchewan and Manitoba while thunderstorms have been experienced locally in Ontario, Toronto recording a decidedly heavy storm.

Ottawa Valley.—Moderate to fresh south to southwest winds, mostly fair and warm at some local showers of thunderstorms chiefly tonight and on Wednesday.

Pretty Good.

Fredericton.—Moderate southerly winds, fair and warmer, Wednesday mostly fair and warm at some local showers of thunderstorms chiefly at night.

New England.—Probably local showers and Wednesday moderately warm, fresh south winds.

Q.—I did not.

Q.—I will not pay it out of this money if I can help it.

Q.—How will you pay it?

A.—I will get the others to pay it if I can.

Q.—It was for election purposes?

A.—Not altogether.