

## Lady Diana Manners

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### "The Glorious Adventure"

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this most beautiful titled woman in her gorgeous costumes.

A MELO-DRAMA IN 7 REELS

## MAJESTIC THEATRE TO-DAY

## A Man, A Woman and Fate

FATE made of the Man a felon, condemned to die a felon's death on the gallows.

FATE made of the woman—despite famous beauty and noble birth a quaking thing cowering before justice.

FATE led her to wed him at midnight in the clammy cold and ghostly dim prison corridor to avoid the law's penalties.

FATE permitted his escape, and he went to claim his bride of the cell.

FATE snatched her from his arms and safely placed her in those of the man she loved.

## MAJESTIC TREATRE TO-DAY

### RAVIN and KELLY

DIRECT FROM BOSTON.

Songs, Dances and Humorous Talks

## The Enquiry Conducted

### By T. Hollis Walker, K.C.

(Continued from Page 6.)

you entirely upon your statement that you had used that amount.

A—She would have a record of it.

MR. LEWIS—The cheque of \$2,000 represented nine or ten hundred dollars in cash, which you turned over to her and the balance was money you had used at Wabana?

A—Roughly, yes.

Q—Then the ten hundred and upward represented the balance of the \$2,000, she had no evidence whatever, except your statement?

A—Yes, she came to Wabana with a cheque (blank) from Sir Richard.

Q—So that she took your word for an expenditure of a thousand dollars and upwards; issued to you a cheque, drawn upon you and forwarded for collection, payable at sight; was subsequently paid at Wabana as the evidence shows?

COMMISSIONER—That is the one on which the date of payment is illegible?

A—Yes, that is the one, your honor.

COMMISSIONER—So that date of payment is left in doubt?

MR. LEWIS—That was paid somewhere about the 17th or 18th?

COMMISSIONER—I don't know how he can tell.

MR. LEWIS—What was the usual course between St. John's and Wabana. A cheque deposited in the Bank at Nova Scotia in St. John's dated August 14th; when would it be likely to be presented at Wabana for payment?

A—Between three and five days.

COMMISSIONER—The quickest we have had is two days and the longest was six.

MR. LEWIS—Was this draft discounted when it was presented and placed to the credit of Sir R. A. Squires, at that time, do you know?

A—I have no recollection any more than the amount was credited to his account.

MR. LEWIS—Was there any money to your credit sufficient to pay this cheque when presented?

A—How much is it for?

A—\$5,000.

A—No, I would not have had it.

COMMISSIONER—Apparently it was never presented to him.

MR. LEWIS—Now, I show you a cheque of \$5,000 dated August 16th, already in evidence, in whose handwriting is it?

A—It looks like one of the bank clerks.

Q—Where was it actually prepared, here at St. John's or at Wabana?

A—It may have been at Wabana or St. John's.

Q—Was that draft discounted, do you know?

A—It must have been. All the credits went through at St. John's.

Q—Do you mean that they were all paid at St. John's?

A—They were all credited to Sir Richard's account in St. John's.

Q—But that was not a draft that would probably have gone to the credit of Sir Richard; it is drawn by you on the Dominion Iron and Steel Company.

COMMISSIONER—Unless it is endorsed.

MR. LEWIS—If it is endorsed, it does not follow that it would go to the credit of Sir Richard Squires?

COMMISSIONER—It might go to the credit of anybody. However, it is in fact, endorsed by Sir Richard Squires per J. G. Miller and it looks as if it had gone to his account.

MR. LEWIS—Isn't it a fact that the draft of \$5,000 of August 14th drawn by your sister in favour of Sir Richard Squires, against you at East Wabana, isn't a fact that at the time it was drawn there was no money available there to pay it and isn't it a fact that you recognised that fact and before its actual presentation and demand for payment had been made, you put through this August 16th, 1920 draft for \$5,000 in order to reimburse the account and make that draft good when presented?

A—The two drafts were credited to Sir Richard Squires' account in St. John's.

Q—Didn't one pay the other?

A—No sir.

Q—You are sure of that?

A—It had been verified by the auditors.

Q—You are testifying by reports made to you by auditors?

A—And also by Mr. Meaney.

Q—When I came home from Montreal, I was sick—

Q—You were not sick at this time?

COMMISSIONER—At the time the audit took place he was sick and it is likely that Mr. Meaney had told him something.

MR. LEWIS—Mr. Meaney was your representative at the time the audit was made?

A—Before the audit Mr. Meaney took the drafts to the bank and had them verified.

Q—Is he a lawyer?

COMMISSIONER—Oh, no.

MR. LEWIS—I have not met him, your honor.

COMMISSIONER—I have.

MR. LEWIS—I compliment you.

COMMISSIONER—Possibly. I hope the pleasure will not be long deferred again.

MR. LEWIS—I don't know whether to agree with your honour's suggestion or not.

Q—What time did this audit take place; was it in 1920 or 1923?

A—1923.

Q—These items of 1920 were under consideration and examination by the auditors in 1923?

A—Yes.

Q—Was that the first audit of your accounts in 1923?

A—This was a special audit.

COMMISSIONER—"Audit" is not the best word to use. If you remember the circumstances as he told us, there was some discussion in Montreal as to whether these moneys had been received by him and his sister and representatives were sent over to investigate the matter. So that "audit" is not quite the word. It was an investigation into the account to see if the transactions were true.

MR. LEWIS—Then shall we call it "investigation" as distinguished from "audit"?

COMMISSIONER—I think it would be as well to. They happened to have been auditors.

WITNESS—There was an audit in March 1921. Price Waterhouse Co. auditors.

MR. LEWIS—That occurred in March 1921?

A—List of March was the end of the fiscal year.

Q—Did the Price Waterhouse Co. make an examination of the books?

A—Yes and they also asked for reconciliation balance.

Q—There was reconciliation necessary?

A—Not from us but from them direct to the bank.

Q—They would ask Wabana bank of Nova Scotia direct for reconciliation balance or certified statement of the balance as at March 31st.

A—Yes.

Q—My recollection is that prior to March these drafts and one note had gone through the Bank and aggregated upwards of \$43,000 or \$45,000 or \$46,000.

COMMISSIONER—They aggregated \$43,000.

A—Yes.

MR. LEWIS—Was there any question raised, to your knowledge, about the discrepancy between the books of the company at Wabana and the Bank balance of the Bank of Nova Scotia at East Wabana by the Price Waterhouse Company in March 31st 1921?

COMMISSIONER—Did they call attention to a discrepancy?

A—No sir.

Q—You have said that they called upon the Bank at East Wabana for a reconciliation statement?

A—Yes.

Q—Was the reconciliation statement which they required, a statement that would reconcile the bank statement with the Company's statement at that date?

A—No.

Q—No the bank statement should show \$46,000 short.

Q—Did it?

A—Yes.

COMMISSIONER—\$43,000 it was at that time.

Q—Didn't Price and Waterhouse Co. comment upon that?

A—They must have but they never told me.

MR. LEWIS—Was any action taken by the Dominion Iron and Steel Co. against you in connection with the \$43,000 shortage at that time; after that audit?

A—No sir.

Q—Then it is a fact that the Company's auditors made the quarterly audit some time in March?

A—The outside auditors did but the Company's auditors made it monthly.

Q—Did they come to Wabana to make that audit?

A—They were down twice in 1922.

Q—Were they there in March 1921?

A—No.

Q—Then they did not audit your books in March 1921.

A—They had our returns in Sydney, payrolls, vouchers and cheques.

Q—Yes, but your payrolls probably showed an excess covering the amount

of discrepancy between your books and the bank books. The bank statement would show the shortage and your pay rolls and disbursement items would show an excess to the extent of \$46,000.

A—Our record would show the correct amount.

COMMISSIONER—The pay rolls would be correct?

A—Yes.

Q—There was no inflation; the suggestion seems to be that your pay rolls were inflated to cover the shortage due there.

MR. LEWIS—The witness's testimony stands that there was \$46,000 of the company's money paid out of the East Wabana Bank; the bank statement showed that fact; the bank books showed that that money had been paid out and that made a discrepancy between the bank books and the books of the company. The auditors were sent there, an audit was made and the discrepancy was not discovered.

COMMISSIONER—It must have been hidden by some jugglery.

MR. LEWIS—"Jugglery" is an excellent word, your honor.

Q—Price Waterhouse and Company came upon the scene; was that an occasion or did they audit annually?

A—Annually.

Q—At the end of March?

A—The 31st is the end of the fiscal year; I think they had their quarterly audit at Sydney on March 31st.

Q—Did they have it at Wabana or Sydney on March 31st?

A—Sydney.

Q—Then the story is, as it stands on the records and as you recall it, that the \$43,000 of the company's money and upwards, was withdrawn from the bank at East Wabana in satisfaction of the drafts, to which you were a party and by your direction those times would probably be entered on the books of the company and the discrepancy between the books and the bank showed an amount equal to the withdrawal, that those records were transferred to the office at Sydney submitted to Price and Waterhouse Company and your own auditors and no charge or claim was made against you when the account at Wabana did not satisfactorily give to you any source of any shortage or discrepancy in your account; is that true? There was no record in your book.

COMMISSIONER—There is a discrepancy in the bank books and the result is that you send the bank statement with your own books and the two don't agree to that extent. Is it your story that that was the state of things; that the papers that went to Sydney showed a discrepancy but you were never called upon or asked to explain anything with regard to it, there was no charge made against you in respect of it?

A—The bank certificate would be sent direct to you, we would have nothing to do with that, the auditors would want to have a certificate.

Q—Didn't you have a bank statement?

A—I had the statement but no certificate.

Q—But the statement showed the withdrawal of \$43,000.

A—It would show it short.

Q—The books contained no reference to it?

A—No.

Q—The bank statement would show it, but you would not?

A—No.

Q—The two sets of documents did not agree, one showed the \$43,000 short and the other didn't?

A—Yes.

Q—Was no explanation ever asked from you, or your attention never called to the fact?

A—Mr. Gillis knew about it in 1920 and he transferred \$20,000.00 of that amount to Sydney, the balance was left at Wabana. We could not take care of the whole amount.

COMMISSIONER—Then the auditors, as far as you know, never asked you about it?

WITNESS—If they asked about it, it would likely be through Mr. Gillis, as he was superintendent.

Q—But they never asked you for any?

A—No.

MR. LEWIS—No inquiry was made of any.

A—It was never made to me, sir.

Q—You testified, Mr. Miller, that the \$330 cheque was for disbursements in connection with the Bay de Verde bye-election. Who was the candidate?

A—Mr. Cave.

Q—And the money was expended in his interests?

A—Yes.

Q—Did you ever ask Mr. Cave to refund that money to you?

A—I had nothing to do with him, sir.

Q—You were working on his behalf,

and might you not expect that he would reimburse you for the expenditure which you incurred on his behalf?

A—No, sir. I was working for Sir Richard Squires.

Q—What is your present business, Mr. Miller?

A—Newfoundland Coal and Trading Company.

Q—When did you sever your connection with the Dominion Iron and Steel Company?

A—In 1922.

COMMISSIONER—He was suspended.

WITNESS—I resigned at Wabana, and came here to get the agency for St. John's.

MR. LEWIS—You resigned at Wabana, and came to St. John's, you say?

WITNESS—I resigned at Wabana, and left for Montreal on the 7th of January, 1922, to get my appointment, but I never got it.

Q—You then returned to St. John's and established yourself in business here?

A—No, I had an interest in the business here before.

Q—Mr. Miller you have handled a deal of money in the past three or four years, and a considerable portion of which you claim has been expended for Sir Richard Squires, or in his interests, and which was taken from the treasury for the Dominion Steel & Iron Company. Now, I have no desire to ask any embarrassing questions, but I think that a statement from Mr. Miller of his financial interests at this time would not be an improper request. (To Commissioner) I propose to examine him as to his present resources and as to his financial standing prior to his resignation.

COMMISSIONER—I don't for the moment quite see how it is going to help me, but I can't prevent asking the question.

MR. LEWIS—Mr. Miller, what was your salary as an employee of the Steel Company?

COMMISSIONER—It is already on record. "The salary I was getting from the Dominion Iron & Steel Company was \$225.00 per month."

MR. LEWIS—Mr. Miller, I think you said you were engaged in or had an interest in this other business prior to your resignation?

A—Yes.

Q—How long had you an interest in the Trading Company?

A—Three years.

Q—And had that business been profitable?

A—No.

Q—What was the extent of your interest in that business?

A—Before answering, I would like to know what bearing it has on the matter.

Q—I want the information, and I think the Commissioner is prepared to support my request.

COMMISSIONER—I don't think I can stop it. I don't for the moment see how it can help me to come to a decision. I cannot at this juncture, Mr. Lewis, ask you for an explanation as to why you want it. I can't say it is absolutely impossible, as I suppose you have a good reason for asking it. Mr. Miller, I am afraid, although it may be embarrassing to you that we must have your answer.

Q—What was the extent of your interest in that business?

WITNESS—Is it necessary, sir, if He apparently wants to know your present business—your 1924 business activities.

MR. LEWIS—I want also to know the extent of his interests in the Newfoundland Coal & Trading Company, prior to his resignation—he says for three years prior to his resignation he was engaged in it.

COMMISSIONER—"For three years prior to the time I resigned I was interested in the company." He wants to know the extent of your interest in the company. Is it a limited company?

WITNESS—Yes, it is a limited liability company.

MR. LEWIS—A joint stock corporation, I suppose?

A—Yes.

COMMISSIONER—Were you interested as a director or share holder, or in what capacity?

A—First I was president.

Q—What was the extent of your holdings?

A—I would like to consult my solicitor before giving a reply.

A discussion took place as to the necessity of making public the private business affairs of the witness, which the Commissioner considered unnecessary or unlikely to help in the matter.

A—You can get it from the Registrar.

COMMISSIONER—Then the information is public property, which can be obtained by anybody?

A—Yes, I think so.

Q—Is it a list showing the name

only, or is it a list showing the extent of each shareholder's holdings?

A—It has the names and the shares.

Q—If that is so, and the information can be obtained by anybody at the expense of a little amount of money, then I think you will have to answer the question.

WITNESS—I should like to know what bearing it has on the case. I could get the information, and show it to you this afternoon. Would that be alright?

COMMISSIONER—What do you say, Mr. Lewis, do you object to the answer being left until this afternoon?

MR. LEWIS—I had intended to follow this line of questioning until the close of the morning session.

COMMISSIONER—Well, what would your next question have been?

MR. LEWIS—My next question would have been as to whether he acquired larger interests and so on. I propose, if I am permitted, to find out how this witness has accumulated investments during the past four years.

COMMISSIONER—Is the object to suggest that he has improperly himself acquired moneys?

MR. LEWIS—The object is to obtain information for use when the time comes in my argument before your honor, in order that I may know the facts of the situation, and will be in a position to argue about it.

COMMISSIONER—I must not allow cross-examination to become oppression. I shall still ask is your question put to discredit the witness?

MR. LEWIS—It is for this reason: I think it will be shown, as a result of this investigation, that the witness was in 1920 an employee of the Steel Company at a salary of \$225 per month.

COMMISSIONER—I assume you wish to show that before this transactions he was a poor man, and after them he was a rich one. Even supposing you can show that, has it anything to do with this question?

MR. LEWIS—It has to do with the question of the bona fides of Mr. Miller. In his testimony he makes a declaration that he paid over to the use of Sir Richard Squires sums of money which were paid from the treasury of the company at his direction, and which were raised by him.

COMMISSIONER—He does not say that, except as far as the \$2,000 and \$330 amounts are concerned. He did not say he paid the other amount—the Bank paid that.

MR. LEWIS—The money was paid by his direction by the Bank.

COMMISSIONER—Not by his direction; by the fact that he did not try to stop it. He could not direct the bank to pay over to Sir Richard Squires the amount of a draft drawn upon himself with no sanction from Sir Richard Squires to do so. Somebody in the bank must have done that. That is why I wanted to get Mr. Glennie. The question is were there amounts for under-lying reasons, in fact purposes of the company, paid to Sir Richard Squires, and the answer is yes, that it is so. Moneys of the Dominion Company were in fact paid Sir Richard Squires for his office.

Q—Was that done with the knowledge and approval of Sir Richard Squires?

MR. LEWIS—Sir Richard was abroad, and the witness has a sister to whom a power of attorney was given. Certain money was obtained from several sources, one of them being Dominion Steel and Iron Co., . . .

COMMISSIONER—The only one which I have to deal with.

MR. LEWIS—And from other people from whom he (the witness) borrowed moneys and claims to have applied these moneys for the benefit of Sir Richard Squires.

Now his sister, having the power of attorney for Sir Richard Squires, and being manager and accountant in Sir Richard's office, it was her duty to keep a record of the moneys that were borrowed on behalf of Sir Richard Squires. There should have been a record in the books. I think the testimony given shows that the books were not written up, in fact that they were in a chaotic condition.

COMMISSIONER—A great many entries were not made that ought to have been made, but what that connects I have to find out. There are occasions you know when people prefer not to make entries.

MR. LEWIS—If money were obtained ostensibly for the private use of Sir Richard Squires, and not charged to Sir Richard Squires in his own private office books, kept as they were by his private secretary and attorney in fact, may it not be said, that they were diverted to other purposes and for the benefit of other persons?

COMMISSIONER—Are you going to contend Mr. Lewis, that this \$43,000.00 did not go to Sir Richard?

MR. LEWIS—I don't know whether

I am going to contend that or not. We are trying to get a record of every dollar that was used by him during that period.

COMMISSIONER—The bank accounts would show that, I suppose.

MR. LEWIS—Money drawn from the bank, yes. That would be part of the authority given her, she had power to withdraw moneys from the bank. But may there not have been cash turned over to her, as in the case of the \$2,000.00.

COMMISSIONER—But we are not dealing with that any more. This \$45,000 is the question now, and we can leave out the \$2,000.00 and \$330.00. The \$43,000.00 I understand was transferred in the bank to Sir Richard Squires' account.

MR. LEWIS—If that be so, there should be a record in Sir Richard's books at his office. It was the duty of his accountant to see that there was such a record.

COMMISSIONER—Unless she was failing in her duty or was told to fail in it.

MR. LEWIS—We have to prove whether this money was obtained by this witness for Sir Richard. It could not get into the bank for Sir Richard without the consent and approval of his sister. These drafts were drawn apparently in her handwriting and she co-operated with him apparently in putting the documents through the banks.

COMMISSIONER—She did not put the documents through the banks. She drew up the documents which then were put through the bank. The bank credited Sir Richard with them. She could not make the bank do that.

MR. LEWIS—But may it not be said, that the amounts which were being handled by her were for the benefit of the witness, or at least for the benefit of another account.

COMMISSIONER—The evidence is that these amounts were paid by the bank, that they were not negotiated outside. I could agree if once you show that any of those documents were negotiated outside, and the cash equivalent paid to her. In this case, the money was credited to him straightaway in the bank.

MR. LEWIS—I think it will be shown before this Equity is concluded that a considerable amount—considerably more than \$43,000.00—never went through the bank at all.

MR. HUNT—What about the Daily Star cheque?

MR. LEWIS—I have nothing to say about that at this time. Most of these matters are drawn "cash," or many of them drawn to "cash" instead of to the usual payee name.

COMMISSIONER—We have already been told those cheques were only camouflage, and that they have never been cashed at all.

MR. LEWIS—They indicate a desire to conceal the true payee.

COMMISSIONER—Yes, there is a lot of that in this case. The desire for concealment is apparent in both cases. Mr. Lewis, I still don't see why you wish to follow that line of questions, although I don't say you cannot explain why.

MR. LEWIS—I hope to do so, your Honor, before this Enquiry is concluded.

COMMISSIONER—If there was a plan to finance Sir Richard Squires, as shown by the drafts in this case, in the last case, I would expect that there would be very few papers to show it.

MR. LEWIS—I should expect that myself, and I think the failure to make a record of the transaction should be charged against the individual who was responsible, and whose duty it was to make such records.

COMMISSIONER—Be careful, Mr. Lewis, that you do not push that too far. Although it may be the duty of a certain person in an office to keep certain records, that does not absolve the head of the office from his duty which is to see that such records are kept.

MR. LEWIS—That is, if the head of the office was at the time of the transaction within the realm.

(To be continued.)

## Great Screen Drama

### at the Crescent

Garreth Hughes and Bessie Love in "Forget-Me-Not."

A beautiful screen drama is Metro's powerful story of heart-interesting entitled "Forget-Me-Not," which is the week-opening attraction at the Crescent, commencing to-night.

A mother, too poor to keep her baby, leaves it in keeping without making known her identity. The baby grows into young girlhood loved by one whose affection she reciprocates. Finally the children are given away to different families. The girl's mother, who has become prosperous, and who has searched vainly for the baby she deserted, takes the boy; a musician of repute takes the girl. The boy and girl are finally reunited some years later when the girl, taught by the musician has gained fame in the music world and the boy meets her at a musicale where she is being lionized.

A rip-roaring two act comedy "Glad Rags" will also be shown. The attention of readers is directed to the big All Newfoundland Vaudeville Bill which takes place on Wednesday night. It's the entertainment treat of the season.

## Just Folks.

By EDGAR A. GUEST

### ENVY.

"Envy," said my father, "is a waste of time, my boy. If the other chap has something which you're eager to enjoy, if he's cleverer or wiser, if his weekly pay is more, or his roses somewhat finer than the ones about your door, read them and get knowledge for yourself. If it's skill that you are craving there is a sure and certain way to get it. You can be your neighbor's equal if you'll practice every day. But don't envy anybody; you'll regret it if you do."

Be as good a man as he is, and those joys will come to you.