

perpetrate a swindle on the public as Mr Cayley implies but we condemn them for *unknowingly* doing so previous to our exposure. Now that these operations are exposed, Mr Cayley and his fellow Directors cannot evade the responsibility. They must either vindicate the claims of Reeve & Co to public confidence or rid the Company of their presence, and then admit that but for our instrumentality they and the public would have been swindled most effectually. Mr Cayley says the "Directors are unaware of any thing which would justify them in attaching the slightest credit to the assertions of the *Trade Review*," and he leaves Messrs. Reeve and Ryan to shift for themselves. We are quite confident, however, that of what we have said regarding the above named gentlemen some of Mr Cayley's Directors know more than he is aware, and that for the President of an important public Company to shirk any responsibility as to his subordinate officers is a very serious mistake.

Mr Cayley speaks of Mr Snow as an individual "not known even by name" to the Toronto Directors. That Mr Cayley himself knows nothing of Mr Snow, we are willing to credit; but that his fellow directors most of whom are active business men, have never heard of such a man, is almost too much to believe, and if true is simply an evidence of the most culpable ignorance.

In our first article we conclusively showed Mr. Snow's connection with the "Dominion" enterprise, and we shall give further and ample proof of this before we have done. If the Board are ignorant of these facts more shame to them,—and the continuance of that blissful state of ignorance, when the facts are so susceptible of proof is not only shameful but worse, if the public are induced to embark their money in a scheme foisted upon them through the respectability of these gentlemen.

Mr Cayley makes no allusion to the origin of his Company. Will he tell us who induced him to take an interest in the enterprise, and when and how his connection was secured? Will the other Directors deny that Mr Seela Reeve was at the foundation of their knowledge of the existence of the project?

Who are the Messrs. Reeve that they should suddenly spring upon the ground and, out of pure love for the people of Canada, work night and day to get up a new telegraph line? Does Mr. Cayley know? Do the Directors know? We tell them that they are the creatures of Josiah L. Snow—relatives of his put forward to duplicate a swindle precisely similar, only greater in magnitude, to that perpetrated by Snow in person fourteen years ago.

As to the denial by Mr. Reeves, the Secretary, that the Snows ever signed any application to the Government to obtain the Charter of the Dominion Telegraph Company, we would inform our readers that there were in all three applications made, two of which were withdrawn. We would state, by way of explanation, that those applications are required by law to contain a *bona fide* list of the Shareholders in the Company and the amount of Stock held by each, all of which shall be certified in due form. The first contained the names of Josiah L. Snow, W. D. Snow, and five others, which were procured in a remote part of the Province. This document was witnessed by Seela Reeve. The two Snows were set down for two hundred shares and all the rest for thirty-five shares. Our readers will please note this arrangement as to shares, as it indicates the controlling interest. This application, for good and sufficient reasons, was in due time withdrawn, and number two was substituted, containing an alteration in the list of shareholders, the two Snows being left out and the two Reeves substituted—the other names being continued as in the first application. The amount of stock set down to the Reeves was two hundred and fifty shares, all the rest thirty-five shares! This application was also after some little time withdrawn and a third and last one substituted, under which the present Company is going forward. This last application contained a list of shareholders duly sworn and certified, representing the capital of five hundred thousand dollars in shares of fifty dollars each, and the list is as follows:

Martin Ryan—Ten Shares.  
H. B. Reeve—One hundred Shares.  
Seela Reeve—Nine thousand eight hundred and ninety shares.

Here we find Mr. Seela Reeve down for \$494,500 worth of stock in a company whose whole capital is \$500,000. Yet we find this same Seela Reeve doing business only a few months ago, in the name of his

nephew H. B. Reeve in New York, we find him also an applicant in the United States Court of Bankruptcy, and we find a good deal that we don't care to repeat. Yet this is the gentleman who controls over nine-tenths of the entire stock of the Company, and this is the nephew of Josiah L. Snow,—whose name appears as a witness in his (Snow's) first application to the Government for incorporation, and whose name was actually substituted for that of Snow, in the second application. Remember this man knows nothing about telegraphing—has never been connected with such an enterprise—bear in mind too that his uncle made a good speculation out of Canada before, that he (Snow) is at the present moment carrying on a similar enterprise from Chicago, under the style of the Great Western Company, a boasted connection of the Dominion Line. Also just notice this little fact, that in the sheet issued by Dominion Company called the *Dominion Telegrapher*, the prospectus of the Great Western Company appears, in which the name of Josiah L. Snow is carefully omitted, while in the identically same prospectus published in the Chicago papers, Mr. Snow's name figures as large as life. Why the necessity for Mr Snow to keep shady? Simply because there is something to cover up, and it is necessary to pull the wool over the eyes of the Directors, which according to Mr. Cayley's admissions has been pretty effectually done. We fancy a duet between the Reeves and Ryan crowd.—

"Oh no we never mention him,  
His name is never heard,  
Our lips are now forbid to speak  
That too familiar word!"

and accordingly Mr. Cayley and his fellow Directors decide that there is no such man as Snow,—an individual not known even by name to the resident Directors of the Toronto Board! Verily, it is an Age of Humbug.

With the above facts before the public,—the truth or falsity of which can be readily ascertained at Ottawa,—we submit that it won't do for Mr. Cayley and his fellow Directors to ignore the existence and active operation of Mr. Snow in the inception of the scheme which they, the Directors, are merely perpetrating. To confess that they knew nothing of Snow, was to admit the worst charge that we brought against them,—that of utter and complete ignorance of the men who were using their fair names to promote improper designs. We feel sorry for most of the Toronto Directors, and the uncomfortable position in which they are placed; for we are persuaded they were induced to go into this enterprise as much from a desire to assist Mr. Cayley to some permanent employment, as from any hope of gain. This consideration has made them probably somewhat delicate in investigating the merits of the matter, under the supposition that he had already done so. Neither is it at all probable that they ever imagined their names would be used to the extent they have been over the country; like modest men, as they all are, under-estimating their own influence.

By the way, Mr. Cayley's postscript reminds us of an enquiry we would like to have answered. Who is the contractor for the new line? He takes good care not to mention his name. Will the Directors deny that Seela Reeve is actually the contractor?—That this nephew of Snow, this "promoter, manipulator, charterer and controller" of the stock is the party who is building the line for the deluded stockholders. We may be wrong in this statement, but if we are the Directors can in a moment set us right. If we are right, however, what a startling resemblance this bears to the Grand Trunk swindle wherein Snow was promoter, charterer and contractor, at one and the same time!

When were tenders advertised for, and do the stockholders know the rate per mile the line is costing them? Mr. Snow's first application contained the proviso that the stock should be based on the rate of \$250 per mile. Now a good line can be built for \$100 or thereabout,—the cost of the Provincial Line recently bought by the Montreal Company. Again, who is to judge of the character of the new line before it is accepted from the contractors. The only man at the Toronto Board who knew anything about telegraphy was Mr. Martin Ryan, the "General Superintendent"; but inasmuch as he has resigned, the Company will not have the benefit of his knowledge.

Will the Directors permit us to offer a suggestion? It will make things go pleasant. Just send for Mr. W. D. Snow, (son of the original Josiah), who is now the most extensive Telegraph contractor in the United States, and who is now building the Atlantic & Pacific

and Pacific & Atlantic Lines—another and the main United States connections of the Dominion Line. Mr. W. D. was the "Engineer" of the Grand Trunk Line, "accepted" it on behalf of that flourishing concern, and turned it over to an equally irreproachable Board of Directors, as that of the Dominion Company. We have no doubt the contractors would satisfy him, and as Mr. Cayley and his friends know nothing of such a man according to their logic, he can't have any connection with the Dominion Line—can have no interest in it, and with his experience, wealth and shrewdness, would be an admirable selection for the purpose. Don't the Messrs. Reeve agree with us? We are sure they do.

We allude above to the resignation of Mr. Ryan, which may be taken as a confirmation that in all we left to be inferred as to that gentleman we were not far from the truth,—notwithstanding the letters which we print for him in another column, and which, if we mistake not, bear a date prior to certain subsequent discoveries by Messrs. Irish and Arnott. Mr. Ryan's withdrawal from the Dominion Board is a significant proof that the Directors are beginning to wake up to their position and that our labour has not been in vain,—showing, too, how little Mr. Cayley knows of what he was writing. Now let the Directors read attentively the above disclosures as to the obtaining of the charter, investigate their truth, and satisfy themselves that we have had good ground for all that we have said in relation to Snow and Reeve. If they can only get rid of the latter we shall begin to have some hope for the Dominion Line. But, unfortunately, Mr. Reeve is at one and the same time the charterer, the controller, and the contractor, and it would puzzle a Philadelphia lawyer to see how he is to be dispossessed. Perhaps a couple of columns more from Mr. Cayley would make it clearer.

We leave the matter in the hands of the public, content to believe that we have performed a simple duty to them in warning them against what we firmly believe to have been originally an attempt to fleecy them. We have no disposition to charge the Dominion Directors with any known active complicity in the scheme,—their ignorance is their excuse, and yet their condemnation. It remains to be seen, with the facts before them, what policy they will pursue, and whether they will show that their enterprise is worthy of public confidence or not. It will certainly take more than Mr. Cayley's letter to convince the public of its claims to that confidence.

Before we close let us reiterate our conviction that there is abundant room for a new telegraph line,—that the investment in proper hands would be judicious and profitable; and let us, too, thank the Dominion Company for the reduction in rates which the Montreal Line are about to make, for assuredly without the prospect of opposition, this Company would not have taken the step they have in this direction. "It's an ill wind that blows no body good."

The Dominion Accountant; or, New Method of Teaching the Irish National Book-Keeping.—Principal of the Mercantile Academy, Toronto. M. Shewan, Publisher.

TO business men, a thorough understanding of the science of accounts is exceedingly valuable. It has been too much the fashion, even in some of the most prosperous commercial houses, to depend on the knowledge, accuracy and fidelity of the professional book-keeper, in whose charge the books were placed; and, in many instances, the principals would have been sadly at a loss to have told from their books, without the assistance of their accountant, in what position their affairs stood. Many people do not see that there is need of any keeping of accounts at all except to such degree as will enable them to know the position in which their debtors stand, and are quite satisfied to go on from year to year, with an impression on their minds, perhaps, that they are making money. By and by, however, when any financial pressure forces them to find out their true condition, they learn when too late that their annual profits were much less than they had always supposed them to be, and that instead of making money, their expenses had all along been in excess of their earnings. Instances, proving the truth of these remarks, have from time to time come to our knowledge, where ignorance or carelessness on the part of the nominal book-keeper was not checked by any watchfulness on the part of the principals. Of course, we do not at all mean to cast any slur on the character of professional account-keepers, but we only wish to insist on the importance of business men having at least so much acquaintance with accounts as to