



(Founded in 1879 by W. J. Harder.)

## Evening Telegram

The Evening Telegram, Ltd., Proprietors.

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Tuesday, February 26, 1924.

## Dominion Borrowing

In the January number of the Empire Review, an article by the Editor of the Economist draws attention to the amounts that have been borrowed in London by the various overseas Dominions during the past quarter. In October the Commonwealth of Australia issued £7,500,000 of 5 per cent. stock at 99, and in the same month Nigeria made an issue of £5,700,000 of 4 per cent. at 88. South Africa was a borrower to the extent of £9,000,000 at 5 per cent. to be used for railways, harbour facilities and other public works, and New Zealand was represented by an offer for the sale of £200,000 debentures of the Auckland Harbour Board, an issue of £750,000 in bonds of the Country of Southland Electric Power Board bearing interest at 5 per cent. The City of Auckland also participated to the extent of £25,000. India's quota was £1,750,000. Canada was represented by way of an offer of the sale of £300,000 debenture stock of the Quebec Power Company.

The Irish Free State raised its first national loan in November. This took the form of an issue of £10,000,000 5 per cent. stock at 95. The loan was primarily an internal one but a considerable part of it was promptly purchased by British investors.

December transactions included the marketing of £20,000,000 5 per cent. registered stock by South Australia and £15,000,000 similar stock by Tasmania.

In an earlier number of the Empire Review the following article on Newfoundland appeared:

Newfoundland's Economic Future.

"Among recent issues in London two may be singled out for special comment: an offer of £423,500 5 per cent. stock at 95 by the Government of Newfoundland, and of £4,000,000 debenture stock of the Newfoundland Power and Paper Company, Ltd., guaranteed by the Newfoundland Government. The former represents the completion of a bargain whereby the Government has taken over railway and docking interests in its territory, and the latter the financing of a bold attempt to develop the country's internal natural resources. The fisheries of Newfoundland are, of course, older than the Empire itself, but only in the last ten years has the practicability of utilising its water-power and forests on a grand scale been seriously considered. The advent of electricity, and the discovery of cheap methods of using water power for its generation and transmission, seems destined to confer on countries like Newfoundland an economic future impossible under a coal regime pure and simple. These considerations apply to other parts of the British Empire, but in some ways Newfoundland stands out as a pioneer of modern tendencies which are bound to attain great prominence in the next ten years."

These transactions are conclusive of the confidence placed

by British capitalists in Empire securities, and they also indicate that in spite of her many pressing obligations Great Britain continues to fill the role of banker to the numerous members of her family.

## Digby Leaving March 4

Further news of the movements of S.S. Digby was received by the Press yesterday. The ship is now in the St. Lawrence and is expected to be re-manned to-morrow. Arranging despatch Digby 4th March.

## Case Dismissed

The charge against the young woman of New Dover Street for selling hop beer overproof concluded before the Magistrate yesterday. Owing to the plaintiff not being the rightful owner of the shop the case against her was dismissed. A summons has been issued for the appearance of her husband in connection with the offence.

## Annual Juvenile Treat

The annual treat for the Juvenile Branch of the T.A. & B. Society, will be held this afternoon. The Ladies' Auxiliary will assist in the catering. For the first part of the afternoon the ladies will attend a free show at the Majestic, through the kindness of Messrs. O'Neill and Coady. Upon their return to the Hall they will take part in various games which will be followed by a sumptuous repast.

At night a dance for adults will be held to mark the occasion, with Miss M. O'Neill furnishing the music.

## S.S. Walker Arrives

S.S. Walker, Capt. Dalton, returned from ports via Salmon River yesterday, bringing a small inward cargo and passengers—M. E. Brien, P. Green, J. Walsh, A. O'Leary, J. Zedstrom, M. Keating, W. Watson, R. Stamp, F. Martin, Miss A. Rossiter and Mrs. H. Winer. The ship sails again at 10 a.m. to-morrow.

## Outcome of Love Romance

The resident of Flat Island, Bonavista Bay, who was arraigned before the Magistrate's Court yesterday morning charged with being a loose and disorderly person, was meanwhile examined as to his sanity by Dr. Anderson, who pronounced him mentally balanced. The hearing of the case was adjourned before yesterday afternoon, and as he had no answer to offer for his boldness a fine of \$50.00 or thirty days' imprisonment was imposed. He paid the fine. The case, which was a rather unusual one, showed by the evidence submitted that the defendant in question became intoxicated with a fair damsel of the city, and with ring in one pocket, and cash to cover the wedding expenses in the other, he actually followed her to church and persuaded her to become his bride and get the job over quickly. Although Barkis was willing, Peggy had other views, and she decided to call upon the police, who promptly put a stop to the attentions of the ardent swain. The Northern man put up the plea that the young woman had given her consent to marrying him, and whilst they were together in the church he repented that this was the only place to do it. The Judge pointed out that the church was the place to finalise a courtship not to conduct it.

## McMurdo's Store News.

Little things that do much to make life of the sick easier, and more effective. Cost trifling compared to benefits received.

Bed Pans, Disinfectants, Cologne Water, Thermometers, Feeding Cups, Hot Water Bags, Rubber Sheeting, Ice Bags, Fountain Syringes, Medicine Glasses, Sterno Canned Heat, and many other useful articles always in stock.

T. McMURDO &amp; CO., LTD.

## Personal

Rev. Fr. Cacciale has arrived from Bar Harbor to spend a few days in the city.

Mr. Jas. Bindon who has been purchasing dry goods in the States for his firm, returned by the Rosalind.

Mr. Michael Power, of J. A. Baird, Ltd., returned by the Rosalind yesterday, from a business trip to Canada and U.S.A.

Get your ticket at once for the Scottish Concert at the Methodist College Hall on March 3rd, 1924. Don't leave it to the last minute, or you may be disappointed and then you will have good reason to say "OH BONE NIE SCOTLAND WHAT I'M SUFFERIN' FOR YE NOO. GRAY & GOODLAND WILL SAVE YE SUFFERIN'—Feb 26, 11

## Mr. Howley Contends Investigation Not Thorough Blames the Attorney General.

ROSSING MACHINE DEAL EXPLAINED—SIR WM. COAKER'S TESTIMONY CONCLUDED.

Mr. A. B. Morin, K.C., appeared before the Commissioner at the opening of the session yesterday afternoon and made application to be heard on behalf of Messrs. A. G. Dickman & Co. in reference to the Rossing, Pelly and Stanford matters.

The COMMISSIONER stated he would be prepared to hear their version of the matter this afternoon. Sir Wm. Coaker, who had been on the stand for the greater part of the forenoon, again took his seat and the examination by Mr. Winter was continued.

From the Government's point of view the first contract made with Rodgers was a good one, but not so for Rodgers, who reluctantly signed it. Had he taken delivery of the wood that year, he would not have sold it profitably. He would have to get \$18.00 per cord for rossed wood, clear expenses, the witness said. Sir Wm. said he had nothing whatever to do with the making of the second contract. When this agreement was entered into there was no rossed wood in the country, and there was about 20,000 cords of wood of the 1921 cut which would be unobtainable unless he was rossed. Sir William said that whilst he was in New York he got in touch with a man named Smith of Fredrickton, N.B., and tried to make an agreement with him to ross this wood. The negotiations fell through.

MR. BRYANT INTERESTED IN ROSSING.

Mr. Charles Bryant, who was with him as his Private Secretary, became interested in the proposition and made arrangements for the purchase of the necessary machines subject to getting the contract. Witness said that when Mr. Bryant returned to St. John's he entered into an agreement with the Minister of Agriculture to purchase not less than 20,000 cords of wood at \$25.25 per cord. A copy of the agreement dated June 9th was put in by Sir William.

Witness asked how it came about that the contract appeared to be with the Trading Co. and not Mr. Bryant, explained that when the latter started in he found the conditions so unfavorable that he got cold feet. Then he (Sir William) urged him to go ahead promising that the Trading Co. would back him up. Asked the cost of the machines which Mr. Bryant purchased, witness said they cost \$9,135, but they were not his completely except as to the two machines which the Government subsequently purchased. Under the rossing contract of June, 1922 about 7,000 cords of wood were rossed. Witness did not know what the rossing cost.

WHY GOVERNMENT PURCHASED TWO MACHINES.

Sir William asked by the Commissioner how it came about that the Government had purchased two machines when as a matter of fact they should have been supplied by the contractor, explained that the five machines which they had were unable to clean up the wood cut in 1921. Learning from their experience that the venture was not a profitable one, they decided not to purchase more machines. It then devolved upon the Government to supply the extra machinery if it wanted to get returns from the wood.

Witness next explained that, when the season of 1921 closed, they decided to go out of the rossing business entirely, as they found that they had only made \$3,440 profit on their operations.

Q.—Was not that profit high enough?

A.—Well, we did not want to have the work and the annoyance, and when the outfit came in the figures showed that the thing did not pay, but when the books were finalised they showed \$34,000.00 for 1921. It took our best men from our premises and we did not want to have the annoyance.

COMMISSIONER—I suppose you realized that you had made a contract.

A.—The wood was not there. We went from place to place on the instructions of Dr. Campbell, and the wood was not there to ross. The Government had broken their part of the contract by not providing wood.

To a further question, Sir William said they were disgusted with the whole contract. The wood was not there for rossing, it being scattered around in and 20 cord lots.

Q.—You see there was a very heavy penalty recoverable against the Government if they did not provide the wood for you to ross?

A.—We were not going to claim for wood that we never did.

A BARGAIN IN ROSSING MACHINES.

SIR WILLIAM questioned about the purchase of the new rossing machines from the Trading Company for \$10,000 explained that the net cost to the Government of the machines was \$5,400 as they had counter claims amounting to \$4,600. According to the evidence given by Sir William, these machines, together with the two costing \$3,400 which the Government owned, were sold by the Department several months ago to Mr. H. J. Crowe for \$6,000. From the time in 1922, when the five machines were purchased, until their disposal they were in possession of the Trading Co. Asked if the machines were used during this period of 1922, witness stated that they had operated them and rossed between 7 and 8,000 cords on which they made about \$7,000 profit. If they had allowed the Government any depreciation for wear and tear of machinery, witness replied so, but it was understood that they had to replace any parts which they broke. Sir William asked what he thought was the cost of a cord of rossed wood, said he had made an estimate which showed the cost of the rossed wood to the Government was less than five dollars. In support of this he submitted some figures. Asked if what he thought of the estimate of \$14.50 per cord as made by Deputy Minister, Turner, witness said his allowance of 45% loss was too high. He thought it should not be more than 18 per cent. In addition it was probable that expenses were taken into account that should not properly be charged to the rossing. This amount of wood rossed in 1922, witness said was 7,832 against 7,000 cords for 1921.

WHERE CALCULATIONS DIFFER.

MR. WINTER—Back in the year 1922 the cost of collecting the wood was \$6,000.00 and last year it was \$10,000.00. Would that be cost to the Department?

A.—I don't know.

COMMISSIONER—That is half the cost?

A.—Not for moving the machines but for collecting the wood. It was 7,047 cords for 1922 and 7,832 cords for 1921.

Q.—7,832 cords for 1922 were there?

A.—Yes.

Q.—The Department shows 6,213 cords for 1922.

A.—Our accounts are 7,832.

Q.—Have you been paid for 7,832?

A.—So I understand.

Q.—How far up was that, this is only December.

A.—That is the end of the season.

Q.—You have not done anything since then?

A.—That is our complete record for 1923.

Q.—Rodgers took none of this wood for 1923.

A.—No.

Q.—What happened to it after it was rossed?

A.—Piled ready for shipping; piled very near the water so they could very easily handle it.

Cross-examined by Mr. Howley, witness said that had pit-prop cutting been undertaken in 1921-22 some other form of relief would have had to be given or some thousands of people would have starved. He had often heard Dr. Campbell at executive meetings express a desire that some one would take the burden from his shoulders. None however, would accept the responsibility. Questioned further, witness said he did not believe Dr. Campbell benefited one dollar in respect of the contracts given under the pit-prop cutting. The same, he said, applied to Sir Richard Squires. Mr. Howley's cross-examination was brief, and at its conclusion Mr. H. Russell, Assistant General Manager of the Trading Co. was called and his examination by Mr. Winter opened. Witness said he had been for four years past in his present position with the Trading Co. Re the logging contracts which were assigned in his name, witness said that in reality the assignment was to the Union Trading Co. as it was thought that better results would be obtained by keeping the company's name out of the transaction. The further examination of Mr. Russell was adjourned at 5.15 until this morning.

When the Enquiry opened this morning Mr. Hunt asked to interpose Mr. Wm. Noel, first Surveyor of the Department of Mines. Witness asked if at any time he had conversation with Mr. Rodgers in reference to the contracts, replied he did on several occasions and at one time he asked what was Collihuw making out of the first contract. Witness said Mr. Rodgers told him he (Collihuw) was making \$1 a cord off the first contract, but nothing off the second one.

MR. WINTER asked if the presumption was correct that Collihuw got his commission on the first contract, which called for 70,000 cords of wood.

The witness replied that it was a correct presumption.

To the COMMISSIONER witness said he did not say who was going to pay the \$1 per cord, but he gathered that the arrangement was between Collihuw and Rodgers.

Cross-examined by Mr. Howley, witness said there was no suggestion

that Dr. Campbell was identified with the \$1 per cord profit.

Mr. H. Russell, Assistant General Manager of the Union Trading Co., was again called and questioned by the Commissioner as to his estimate of 400 cords of wood in a pile supposed to contain 320 cords, after which Mr. Winter questioned the witness as to the contracts made with other officials of the Trading Co. then himself and Wm. Brown. Mr. Russell named Messrs. Winsor, Yetman and Groves in this connection. Witness put in a statement showing the result of the six contracts. In the case of his own contract witness had kept an itemised account. The witness stated they received \$4,000 of \$12.50 on the six contracts, and the Department had credited them with \$11,430. In reference to the guarantee contracts of Groves and himself \$312.00 was owing, subject to counter claim of \$1732.00. Witness said Sir William verbally gave him the guarantee. The Department gave then no credit on account of guarantee when sending statement of balance of \$5,511 which the Department claimed was owing. Questioned about Mr. Bryant, witness said he is now manager of the wood working factory; previously he was engaged on the rossing contracts. Witness said these contracts were taken over at the time the work started. The company received cheques from the department for the work on application from Mr. Bryant. Provisions and supplies were sent out from the Trading Co. on Mr. Bryant's order. Witness asked to show his accounts, said he had not the account with him but he could get it from Mr. Bryant. The total payments to the Company, according to the figures submitted by the witness, was \$46,000. The Department's figures showed that \$37,894.70 had been paid out on the rossing contract. Witness was sure that no amounts would go to Bryant without going through. All the cheques for payments to the Trading Co. passed through the hands of Mr. Seamless, and were deposited at the Bank. Witness said all the amount charged was not paid to the Trading Co. Questioned as to who were the directors of the Union Trading Co., witness named Sir William Coaker, Douglas White, Jas. Jones, R. G. Winter, John Guppy. Some Bonds of the Company are held by Mr. Collihuw, but witness could not tell the amount. In regard to the Electric Co. witness said that in 1920 they issued a chattel mortgage on the U Trading Co. for \$20,000, which was later transferred to Mr. Collihuw. This mortgage has been paid off. Witness said there was no encumbrance on the Trading Company, apart except some outstanding bonds to the amount of \$45,000. Mr. Collihuw was owed considerable amount during 1921-22, which at one period totalled \$30,000. This amount has been paid, the witness said. Questioned about the bond issues, witness said both Companies now have Bond issues outstanding for which Mr. Collihuw is trustee. There was no cross-examination.

MR. WATSON, Auditor, examined by Mr. Hunt, stated he received instructions to investigate into the Department of Agriculture and Mines some time last summer. He had to investigate the Pit Prop account and the Model Farm expenditure. Witness completed his investigation and submitted a report of his findings on these matters on Feb. 6th to the Prime Minister, the witness stated. The report begins 12th August, 1921, and covers up to Dec. 31st, 1923. A discussion as to who should see the report followed.

MR. HOWLEY took the position that it should be available for his examination. He submitted that the reports were not full and the investigation not as thorough as it ought to be, and this blame he attached to the Attorney General and others outside and to the Government.

The COMMISSIONER pointed out that Mr. Howley would be requested to substantiate his charge.

MR. HUNT said this was a matter of great importance and so far as Mr. Winter or himself was concerned there was no intention of withholding anything. Mr. Watson was put in the box for the purpose of obtaining information which had not been given by other witnesses. He was sorry this had been said about Mr. Warren because he had the greatest faith in the Attorney General's integrity.

The COMMISSIONER dismissed the matter by promising to bring it before the notice of the Attorney General.

MR. HOWLEY did not wish it to appear he had made his suggestion after consultation with his client.

The COMMISSIONER said that in England no suggestion of this kind would have been made without the most specific instructions to the barrister from his client.

MR. HOWLEY regretted that he had found himself in a position which compelled him to make his statement. It had wronged anyone he would much regret it and was prepared to make the most ample apology. In justice to his client, he thought he ought not at this moment, to allow it to be said that his statement was not the result of specific instructions from his client that the Attorney General had kept back things which had not come before the Commissioner.

MR. HUNT—Does this come under this head?

MR. HOWLEY—had in mind the Liquor Enquiry.

MR. WATSON said that his report on the Liquor Control Department was as full as he could make it.

MR. HOWLEY said the facts he referred to under that head should have been brought forward in the first instance, as it reflected upon Mr. Watson's credibility and motives.

COMMISSIONER—Good heavens! you had all you could want of that. You had the biggest field in that connection. I have never heard of it.

MR. HOWLEY proceeded with his comments on the withholding of information under the Liquor Control Enquiry and was frequently interrupted by the Commissioner who disagreed with his observations and termed consistently objectionable.

In concluding his remarks, the Commissioner said Mr. Howley had shown a persistence worthy of a better cause.

MR. HUNT—What was the total expenditure from 4th June 1922, to Dec. 31st 1923?

A.—\$1,592,088.26.

Q.—Do your figures agree with what was actually spent by the Department?

A.—Yes.

Q.—What was the total expenditure under the 1921 contracts?

A.—\$192,597.31.

Q.—Were there any cases in which there was no timber cut?

A.—Yes. There were two. They were simply cuttings. There were thirteen effective contracts. I have not a list of them. Those that were not mentioned in my report were in order, in my opinion.

The F. G. House contract was referred to and witness said he did not think the Government had been properly notified in respect to the attempts to sell wood.

The COMMISSIONER did not think there was much to worry about in that as there were no overpayments.

Several other contracts were named and the same comment was passed on them. With reference to the S. D. Collier contract, the evidence of attempts to sell was sufficient for Mr. Warren.

MR. HUNT suggested that he should go through the report with Mr. Watson so that matters of no importance or prints not requiring further elaboration could be eliminated. This, he thought, would simplify the procedure and curtail the time taken by the Enquiry.

The matter of a contract with the J. T. Swyers Co. was brought up, and a paragraph of the report referring to a payment made by the Swyers Company to Mr. John Abbott, a member for Bonavista, was read by Mr. Watson and was explained.

Another matter in connection with Swyers contract was introduced. Attention was drawn to the fact that Swyers' account and the scaler's report of the wood cut did not agree.

Particulars had been made on the full rate of \$5.50 on 1,050 cords. The auditors were not satisfied with the scaler's reports.

The next matter was in connection with S. D. Collier's contract, who undertook to cut 1000 cords. The Government agreeing to purchase at \$5 per cord as under the 1921 contracts.

No evidence of satisfactory attempts to sell were obtainable. Another matter in this connection was also referred to. No explanation could be obtained concerning an order on the British N. American Trading Co. which was paid to Harvey & Co. by the Department and which had been given by Collier. The Department was investigating this matter. Witness said it looked like pure chicanery. Various exhibits were produced and examined by the Commissioner. Explaining a pit-prop cheque Mr. Watson said, that in tracing it, he had found that another account had been tampered with. There was something to investigate which was not in the scope of the enquiry, but there was no shortage in the pit-prop account.

Recess was taken until 3 p.m.

Magistrate's Court.

An ordinary drunk was granted his release.

A drunk and disorderly was fined \$2 with the option of 7 days.

A 24-year-old laborer given in charge by his mother for being drunk and disorderly in her home was given a word of advice and allowed to go. His mother failed to appear against him.

A few civil cases were disposed of.

Lost Body Recovered

A message was received by the Minister of Justice Department this morning from Magistrate George T. Carly at St. George's which reads as follows:—"Remains of James Hackett, the last of the crew of Donald B. Silver, found last night at Flat Bay."

The Star Movie

The performance at this theatre last evening was cancelled, owing to the sudden death of Mr. J. F. Ross, the talented drummer of the Star Orchestra. The Star will be open to-night as usual.

Schr. Lucille P. Creaser has cleared out from the premises of A. B. Hickman & Company with 975 packages of fish bound for Porto Rico.

(Under the distinguished patronage of His Excellency the Governor, Patron of the G.W.V.A. of Newfoundland.)

G.W.V.A. Winter Sports,

PRINCE OF WALES' RINK

Thursday, March 6th, at 7.45 p.m.

(By kind permission C.O. C.L.B. Cadets, its Battalion Band will be in attendance.)

PROPOSED PROGRAMME—(Subject to correction).

1. 1/4 Mile Walk (Open). Frontiers and Hobnails disallowed.

2. Inter-School Relay Race. (4 men, each 3 laps).

3. Ladies' Coloured Balloon Race. (Equipment required: Hockey Stick, Balloon. Ruling: Balloon propelled by Hockey Stick only).

4. Mercantile Ice Regatta on Sledges. (Teams five men each; course: up and down rink, seated backwards, propelled by feet only).

5. 1 Mile (Open).

6. Ice Basket Ball (Open). (No skates).

7. Ladies' Hockey.

ENTRIES RECEIVED AT THE G.W.V.A. OFFICE.

Feb 26, 31

THE VERDICT!

Abie's Irish Rose

The Greatest Success Ever Witnessed in St. John's.

Audience Convulsed with Laughter.

DON'T MISS IT.

GIRL GUIDES' ENTERTAINMENT

BY THIRD ST. JOHN'S (METH. COLLEGE) COMPANY.

(Under distinguished patronage of Lady Allardyce.)

Methodist College Hall, Wednesday,

FEBRUARY 27th, AT 8.15 P.M.

GENERAL ADMISSION 25c. CANDY FOR SALE.

Feb 26, 11

Rink Employees' Benefit

THIS WEDNESDAY.

GENERAL SKATING . . . . . 8.30 P.M.

RIGHT HANDS.

MERCANTILE HOCKEY

HARVEY & CO., LTD. vs. A. HARVEY & CO., LTD. . . . . 6.30 P.M.

ICE SPORTS . . . . . 7.50 P.M.

5 Mile Race—Entries: F. Coxworthy, Chas. Rice, J. Chancey.

1 Mile Race—Entries: Bob Sellers, Jim Chancey, Chas. Rice, G. H. Hall.

1/4 Mile Backward—Entries: Gordon Caul.

Ladies' 1/4 Mile Race—Entries: Misses' Rose Hart, Dot Sellers, Mary Byrne, Bride Kirby.

League Relay Race—Entries: Terra Novas, J. M. Tobin, J. Canning, R. Churchill, St. Bon's, E. Phalen, G. Halley, W. Skitterer, Faldians, A. Lloyd, B. Withers, E. Reid, Guards—T. White.

Under 15 Race—Entries: F. Hayward, A. Carroll, R. Burke.

Further entries will be received at the Rink Office up to 5 p.m. Wednesday.

GENERAL SKATING TILL 10.30.

General Admission 25c. All Galleries, 50c.