

HERE AGAIN assortment of tackle. SCOTCH FLIES, LTD. HAVING true economy. kind. For many years our... STREET, AND CLOTHING. lians. Charlotte Street. THE IT'S HERE. \$8.75, \$10.00, to \$20.00. URNISHINGS, 207 Union Street. Deimel (LINEN-MESH) Underwear. Health. 6.00 PER SUIT. LISON, LTD.

The Dignity of Parliament Compromised

BY THE PRESENCE OF WILLIAM PUGSLEY IN THE MINISTRY

MR. CROTHERS MOVES STRONG RESOLUTION ON CENTRAL RAILWAY COMMISSION REPORT—"THE DUTY OF PARLIAMENT TO PURGE ITSELF FROM THE UNFORTUNATE POSITION IN WHICH IT IS PLACED BY THE CONTINUANCE IN THE GOVERNMENT OF A MINISTER OF THE CROWN AFTER SUCH SERIOUS IMPUTATIONS HAVE BEEN CAST UPON HIM"— PUGSLEY'S DEALINGS IN PROVINCIAL FUNDS AND MR. TWEEDIE TO BE SUBJECTS OF SEPARATE MOTIONS

Ottawa, Ont., May 5.—The Government still stands by Mr. Pugsley. The Opposition today brought forward the damning report of the Landry commission. Mr. Crothers, standing on the report as the findings of a duly constituted court, brought home to Dr. Pugsley no less than fifteen grave indictments. Later Mr. Pugsley having impeached the findings, Mr. Crocket produced the evidence, and from it disproved statement after statement put forward by Mr. Pugsley in his defence.

The attitude of the Liberal party had been one of absolute defiance. It clustered behind him, cheered every statement he made, tried to shout down every person who interposed a question and in every respect showed itself proud of Pugsley.

The Minister of Public Works spoke at great length, from 4.30 o'clock to nearly eleven. His speech was a multitude of contradictions of the report in detail; he piled up rather over twenty such contradictions. In plunging in this mass of detail it is needless to say that he lost sight of the main fact, that his company had kept its accounts in so utterly chaotic a state that large sums cannot be traced. One announcement was important. He has at last taken to the courts. He directed suit to be entered, yesterday, on the eve of this motion. He has entered suit, he explained, in the Supreme Court of New Brunswick, making the New Brunswick Coal and Railroad Company defendants, to take account of its receipts and expenditures, and to obtain a decree as to the state of the accounts. His reason for the delay, he said, was that he had been waiting to see if the Provincial Government would act.

The debate was not concluded. Mr. Crocket, who followed the Minister of Public Works, traversed his statements step by step in a close and destructive analysis, backed by constant citations of the evidence. At 12.15 he adjourned the debate, his speech not being completed. The debate accordingly goes over until tomorrow.

A curious performance was Mr. Pugsley's action in quitting the chamber as soon as his speech was concluded. He did this on the pretext that by so doing his presence would not embarrass the members in discussing his conduct; at the opening of his speech he had sharply criticized Mr. Crothers for leaving the House for a few minutes.

At 11.20 Mr. Foster moved for leave to lay before the House a copy of the Landry Commission's report, concerning the New Brunswick Central, etc. Sir Wilfrid Laurier said that this was absolutely out of order. This was for several reasons, one being that no report of a Royal Commission should be laid before the House. It would be a pity to set a precedent of this kind in the public life of Canada that a report of a Royal Commission gravely affecting a Minister of the Crown could not be brought before the House.

The Speaker said that the point of order could be discussed. "I am discussing it," said Mr. Borden, and went on to say that it was competent to bring such documents before the House as a matter of privilege.

Mr. Pugsley explained that yesterday he had given notice to the House, subsequently at the request of the clerk he had put his notice into writing, and this written notice had not run the necessary length of time to constitute a formal notice.

Mr. Borden began to say that Mr. Borden's remarks were superfluous and had got as far as "even a more astute mind than his" when the Speaker broke in to rule the motion out of order unless unanimous consent was given.

Mr. Crothers' Motion.

The matter next came up on a motion to go into supply, which came about noon. Mr. Crothers brought the matter up. He rose, he said, to draw the attention of the House to a matter compromising and reflecting on the dignity of Parliament, and of the whole country as well. The duty was ungracious and unpleasant, and he was animated by no animus, but purely by a strong sense of public duty. The public conduct of public men was of the highest interest to the country. In England, so tender is the regard for the reputation of public men, that if any member of the Government were reflected upon from the bench he did not wait to be asked to resign. There were several examples, such as the Mandel and Hayes-Fisher cases. Mr. Cro-

thers was going on to read the Hayes-Fisher case, when the Speaker intervened.

A Point of Order.

He would like to hear the argument, Speaker Marcell said, where the proper course was being pursued. This was a criticism of a minister and an amendment to supply was hardly the proper method to follow.

"There is a motion to go into supply," said Mr. Crothers. "I HAVE A GRAVE GRIEVANCE TO PRESENT." When he contravened any rule of the House, he said, it would be time for the Speaker to stop him.

The Speaker said that he understood that Mr. Crothers was impeaching the conduct of a minister.

Sir Wilfrid Laurier said that Mr. Speaker's point was well taken, but it was Mr. Pugsley's wish that the matter should go on.

The Speaker demanded to know the authority for the point of honor.

Mr. Speaker said that he was relieved of responsibility, but the course being pursued was clearly in contradiction to the authorities.

Mr. Borden said that, before the House should come to any such conclusion some authorities should be considered. He had given some consideration to the question and was not of the Premier's opinion. He took this course purely to save his rights for a future occasion.

Mr. Pugsley said that so far as he was concerned he desired the fullest and most ample discussion.

Mr. Speaker said the debate proceeded with the consent of the House.

An English Case.

Mr. Crothers continued with a recital of the Hayes-Fisher case in England. Mr. Hayes-Fisher was a minister in Mr. Balfour's Government. A company in which he was a director failed, and a judge censured him for not paying more attention to its affairs. He had lost money by the company. He compensated every person who had lost. He resigned, and in speaking in the House, after explaining that no man had lost money by him, said that the CENSURE OF THE JUDGE RENDERED HIM OPEN TO ATTACK IN THE CONDUCT OF HIS OFFICE. Mr. Balfour and Sir Henry Campbell-Bannerman praised his action. So did Mr. Edward Blake, who said that Mr. Hayes-Fisher's conduct had MAINTAINED THE HONOR AND STANDING OF THE HOUSE OF COMMONS.

"IS THE HONOR AND STANDING OF THE CANADIAN HOUSE OF COMMONS LOWER THAN THAT OF



—Reproduced from the Toronto News

THE BRITISH HOUSE OF COMMONS? Mr. Crothers asked.

In answer to his question he cited Sir Wilfrid Laurier's statement that the report of the Landry Commission WAS OF NO CONCERN FOR THE GOVERNMENT OR HOUSE.

Central Railway History.

Mr. Crothers then outlined the checked history of the Central Railway and read extracts from the report of the commission. He called attention to Mr. Pugsley's position as Attorney General from 1900 to 1907. HE WAS A TRUSTEE. THE FIRST OF A TRUSTEE WAS TO KEEP CLEAR ACCOUNTS; HIS SECOND DUTY WAS ALWAYS TO BE READY TO PRODUCE THOSE ACCOUNTS.

Mr. Pugsley said that he had not been manager of the company. That statement was absolutely untrue.

"I am here standing on the judgment of a court," said Mr. Crothers. "If my hon. friend can find anything in the evidence to justify some of the statements in the report," said Mr. Pugsley.

"I AM DISCUSSING THE JUDGMENT OF A COURT," Mr. Crothers reiterated, "WHILE IT STANDS I AM JUSTIFIED IN ASSUMING THAT IT IS RIGHT. HIS COURSE IS IN SOME WAY OR OTHER TO APPLY FOR A NEW TRIAL."

Mr. Pugsley said that he had begun proceedings in the Supreme Court of New Brunswick for an accounting. He waited till yesterday to see if the New Brunswick Government would do that.

Mr. Crothers said that the first thing for him to do was TO STEP ASIDE AND RESIGN. While that judgment stood his occupancy of his portfolio was a compromise and reflection on the dignity of the House and the country.

A Disputed Question.

Mr. Crothers went on to speak of the subpoena issued to Mr. Pugsley by the commission, and said that the commission had adjourned several times to let him be heard.

Mr. Pugsley: "That statement is absolutely without foundation." He added that when he went to give evidence the counsel for the commission did not wish to hear him.

Mr. Crocket: "The counsel for the Province denies that."

Mr. Carvell, who was Mr. Pugsley's counsel, corroborated Mr. Pugsley's statement.

Mr. Crothers said that he refused to discuss evidence. HE WAS STANDING ON THE JUDGMENT OF A COURT. THE REMEDY WAS AN APPEAL. He went on to read from the report of the commission. In one passage dealing with the early history of the company mention was made of an assignment of a subsidy to "Hon. Wm. Pugsley." Mr. Pugsley rose.

"If my hon. friend will allow me," "I won't allow you to explain as I go along," said Mr. Crothers.

A Question of Title.

Mr. Pugsley rose to a point of order. It turned out that it was wrong to call him "Hon. William Pugsley," because at that date he had not been in the Legislature.

"That is the first time in my experience that a gentleman felt it any im-

putation on him to call him 'honorable,'" said Mr. Crothers.

Mr. Pugsley got angry and wanted it taken back.

Mr. Crothers continued with citations from the judgment of the Landry Commission, beginning with the record of the meetings of the directors of the New Brunswick Coal and Railroad Company, which went to show that THE GENERAL MANAGEMENT OF THE COMPANY WAS LEFT IN MR. PUGSLEY'S HANDS. He traced the curious history of the company up to the unaccounted for BALANCE OF \$134,035.35 and went on to quote passages relating to Mr. Pugsley's emoluments, including the "W. P." CHEQUE. He also quoted passages relating to Mr. McAvity, and his strange statements as to his salary.

Summing up, Mr. Crothers held that the sworn evidence had resulted in a finding of the court with regard to Mr. Pugsley, which he stated as follows:

The Conclusions.

1.—That he was appointed a director ex-officio of the New Brunswick Coal and Railway Company, especially to guard the property of the company, and that HE WAS IN EFFECT GENERAL MANAGER OF ITS AFFAIRS.

2.—That while he was occupying this position of trustee and in the performance of a public duty, the expenditure of public funds provided by the people of New Brunswick for a public enterprise, HE WAS CULPABLY NEGLIGENT AND OPEN TO THE GRAVEST CENSURE.

3.—That, although he was the controlling influence in the N. B. C. & R. Co., he never performed the functions usually exercised by an incorporated company, and was, in fact, nothing BUT A DISORGANIZED DEPARTMENT OF THE GOVERNMENT.

4.—THAT IN ORDER TO CONCEAL THE TRUTH, HE ADOPTED NO SYSTEM OF BOOKKEEPING FOR PUBLIC INFORMATION.

5.—That, as a member of the Legislative Assembly and Attorney-General of the Province, HE MADE INCORRECT STATEMENTS TO THE LEGISLATURE TO ALLAY SUSPICIONS AND TO CONCEAL FROM THE PROVINCE THE TRUE STATE OF AFFAIRS.

6.—That, a report prepared by him and made to the Lieutenant Governor-in-Council, on the 2nd day of July, 1901, was absurd, and was not founded on any reasonable grounds for the presentations made therein.

7.—That, as such director he is responsible to the Province for an accounting for that portion of \$958,799.75 supplied by the Province.

8.—THAT IN STATING TO THE LEGISLATURE ON MORE THAN ONE OCCASION THAT \$180,000 HAD BEEN PAID FOR THE CENTRAL RAILWAY, HE STATED WHAT HE KNEW WAS IN FACT UNTRUE, AS HE HAD CONDUCTED THE NEGOTIATIONS WHICH RESULTED IN THE ABATEMENT OF \$39,000 FROM THAT SUM.

9.—THAT HE MIXED UP HIS PRIVATE AFFAIRS WITH THOSE OF THE COMPANY AND OF THE PUBLIC SO THAT LARGE AMOUNTS RECEIVED BY HIM ARE NOT SATISFACTORILY ACCOUNTED FOR.

10.—That, while he stated before the court respecting the salaries of directors that they received something, and that he himself did not receive much, HE WAS REALLY PAID \$5,000

out action or remedy? If such there be, I venture to think he will not receive the approbation of the better thinking people of this country.

"This report is really a CONVICTION OF SERIOUS OFFENCES BY A MINISTER OF THE CROWN, and must be regarded as A RIGHTEOUS JUDGMENT BY A COMPETENT COURT. AS SUCH IT SHOULD BE ACTED UPON BY THE ACCEPTANCE OF THE MINISTER'S RESIGNATION, or if its righteousness be disputed, the Minister should resign pending a new trial, which in that event he should be the first to seek."

Mr. Pugsley's Overdrafts.

Mr. Crothers proceeded to the New Brunswick Hansard of 1908 and cited a return which showed that while Mr. Pugsley was Attorney General, he had drawn money to which he was not entitled.

"I ask the Hon. gentleman to withdraw that statement, which is absolutely false," exclaimed Mr. Pugsley. "I never drew a cent to which I was not entitled." He went on to say that Mr. Crothers could not after his denial make a false statement made by Mr. Hazen or some one else.

Mr. Crothers said HE HAD UNDERSTOOD MR. PUGSLEY TO SAY THAT HE WAS ANXIOUS TO HAVE EVERYTHING DISCUSSED. "One thing at a time," said Mr. Pugsley, while the Conservatives jeered.

He went on to say that the Central Railway was under discussion. He would deal with the other matters on any other appropriate occasion.

Mr. Crothers observed that Mr. Pugsley had seen his motion indicating his intention of dealing with this subject.

The Liberals raised cries of "withdraw."

The Speaker—"If the word of the Hon. member is not accepted, I don't know what we will come to."

Mr. Borden said that Mr. Crothers had a right to set forth the matter referred to in his motion. Sir Wilfrid Laurier had had a copy of the motion. It referred to the authorized reports of the Legislature of New Brunswick which seriously reflected on the Minister of Public Works. To suggest that every statement must be withdrawn on denial made would cut off all discussion.

Mr. Pugsley charged that there had been an attempt to deceive the House by trying to mix up matters not connected with the Central Railway and of these he had had no notice and he had not dreamed it would be brought up.

Mr. Borden said that they would discuss the matter on another occasion, and so could take it out of the motion. Mr. Crothers concurred in this.

MR. CROTHERS ADDED THAT HE WOULD MAKE LIEUT. GOVERNOR TWEEDIE'S CASE THE SUBJECT OF A SEPARATE MOTION.

Mr. Crothers' Amendment.

Mr. Crothers concluded by moving in amendment to the motion to go into supply:

"The unanimous finding of the commission consisting of the Hon. Mr. Justice Landry and Messrs. F. MacDougall and A. I. Teed, appointed by the Government of the Province of New Brunswick by order in Council, dated 5th June, 1908, set forth serious matters touching the public acts and conduct of the Hon. Wm. Pugsley, formerly a member of the Government of the said Province and now a Minister of Public Works.

"That persons occupying such offices of state as constitutional advisers of His Excellency ought to be free from just reproach and from reasonable suspicion in respect of their public character and reputation.

"That to this and the said findings in so far as they impugn the public acts or conduct of the said Hon. Wm. Pugsley deserve the serious consideration of this house and demand such action thereupon as may be necessary to enforce worthy and proper standards of public duty."

An originally drawn, the motion contained in the first clause, "between 5th June, 1908," and "set forth" the words "and the authorized reports of the proceedings of the Legislature of the said Province during the session of 1908," but as already those words were withdrawn.

MR. PUGSLEY

He Denies Everything and Insists that Report of Commission is Not Based on Fact.

Mr. Pugsley described report of the Landry Commission as discreditable, partisan and wholly unreliable. It was UTTERLY UNWORTHY OF THE CONSIDERATION OF ANY MAN WHO DESIRED TO SEE JUSTICE DONE. As for Mr. Hayes-Fisher, he had resigned because he had confidence in the tribunal which had condemned him.

He went on to argue that the Landry Commission had left out an item of interest which amounted to \$80,000. The items which had been omitted he said were: 1—Interest on cost of the Central Railway; 2—Interest on improvements; 3—Interest on loss on operations; 4—Interest on rolling stock; 5—Interest on expenditure in connection with the railway as he went into figures, the discrepancies, he claimed, amounted to about \$12,000.

Mr. Pugsley went on to say that NO CHARGE HAD BEEN MADE AGAINST HIS PERSONAL HONOR. It was not asserted that a dollar of the company's money came improperly into his possession.

He went on to assure that the Commissioners HAD TREATED HIM WITH GREAT UNFAIRNESS. He especially complained of the publication on October 14th, of a statement in the assignment of a subsidy to himself; the \$5,000 payment of subsidy bonds on the Gibson branch; the statement that the whole \$250,000, 2 per cent bonds had been guaranteed and delivered to the company by August, 1903. With regard to the last statement he said that by that date only \$138,500 had been guaranteed.

Another misstatement was that the whole \$450,000 bond issue had been used in advance of legislation of 1904.

Referring to the assignment of a mission, Mr. Pugsley said that he had acted in the course of his private practice, and had made a full accounting.

It Was Intentional.

Among Mr. Pugsley's other charges of misstatement was the famous error of \$430,000 for \$43,000 which he declared could not be an ordinary mistake inasmuch as the printed report was "an eminent judge" who entered and filed in the Provincial Secretary's office. Further the Commissioners had not inquired into the bonds in the late Judge Truman's case. Mr. Pugsley said that he had completed the title of the railway. Considering the high position occupied by Judge Truman he believed that the originally agreed price of \$190,000 had been paid for the Central.

One contradiction which he declared existed, was that one page of the report spoke of the "absolute" nature of bookkeeping, and another said "the company's books were kept in the company's office at Norton, and were well kept."

As to the statement that the books of the Barnes Co. had disappeared, he said Mr. Evans had reported monthly to the Attorney General, and the Commissioners had accepted Mr. Evans' estimate of the cost of the road.

The Commissioners.

Part of Mr. Pugsley's speech was devoted to an attack on the Commissioners. Mr. Crothers had styled Judge Landry as "an eminent judge." Mr. Pugsley said, "He is a judge as any other judge is, but he is not especially eminent. I respect the bench, but I respect rather judges who uphold the honor of the bench, and do not coquette with a political party with regard to candidature."

Mr. McDougall, was "manager of a branch bank, and had long been described as a small merchant. Discussing the \$5,000 'W.P.' cheque he protested against the statement that his trust and loan company kept no books. It made no loans but was simply a real estate holding company, to hold the Pugsley building. As to the cheque he produced cheques and stubs sufficient to clear the matter up. The payment had been made in connection with loans which the loan company had made.

In conclusion Mr. Pugsley said that he would withdraw while the matter was under discussion, so that his presence would not embarrass any one. He accordingly left the House.

Continued on Page 2.