

EVENING OF WIN CHURCH

Interesting
Services

Divine Principal
Church is Greatly
Improved

remodelled and re-
furbished. The church
reopened yesterday morn-
ing having been closed for
several weeks.
The church was paint-
ed in light green and
the interior is beauti-
fully lighted by the
new electric lighting of
the Street Railway, is
effectively done.
The church has been re-
named larger. The paint-
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ing the Rev. Mr. Johnston
a lecture on Burns, at the
which he interspersed with
a silver collection will
add a large number should
be made.

W. SMITHERS STALLED CANON

Canon Under the
ley Memorial
Foundation

OTTON, N. B., Jan. 24.—At
the morning, when Rev.
d formally installed Rev.
Smithers as the first canon
of the Memorial Founda-
tion, reading the bishop's
of Mr. Smithers afterwards
a sermon.
A prominent hard-
of Vancouver, and an
of the British Columbia
twenty years ago a resi-
dent, spent Sunday here,
at St. John yesterday
press of Britain after a
home in England. He
Vancouver tomorrow even-

Hoteltown team play at
tomorrow night.

ANDERSON AT CHATHAM

ing Resident of the
Leaves Wife and
ur Children

Jan. 24.—The death of
Saturday morning of Wil-
a life-long resident of
Anderson, who was 33
was one of the best
most highly esteemed resi-
dents here. He was for
many years a custom
service.
He was married four
times, his first wife
being Miss McCurdy,
Rev. Dr. McCurdy, who
pastor of St. John's Pres-
byterian church. His first wife
was by his first wife and
son of Ontario, Mrs. St.
of Campbellton and Robert
of St. John's, Nfld. By
he leaves Miss Kate
home.
He is now at Chatham,
and is expected to arrive
in Chatham.
The Curling Club has de-
cided to build a new
made for Saturday
day night and already
has been pledged and \$400

CASSELS CUTS DEEP, EXPOSES FEELS, SUGGESTS REMEDY; MINISTERS EXONERATED; HON. MR. BRODEUR PRAISED

GUILTY OFFICIALS OF MARINE DEPARTMENT NAMED AND SCORED

Main Responsibility for Improper Conditions
Placed on Deputy Minister --- Mr. Harding
Censured but Excused

JOHN KELLY ACQUITTED OF WRONG-DOING

No Overcharges in St. John--Capt. Spain, Capt. Schmidt,
J. F. Fraser and Others Condemned--Cassels Recommends
Abolition of Patronage, Adequate Salaries for
Good Officials, Capable Inspection and Establishment
of Purchasing Commission for all Departments

OTTAWA, Jan. 22.—The report of
Judge Cassels giving the results of his
investigation into charges against of-
ficials of the marine department, was
laid on the table of the house today
by Hon. Mr. Brodeur. The report, which
covers 200 typewritten pages, gives a
succinct summary of the fourteen large
volumes of evidence covering the admin-
istration of the marine department as ad-
vanced during the inquiry which began in
May last and concluded last month.

Salient Features
The salient features of the report, which
has been looked forward to as being likely
to provide one of the chief topics of debate
for the coming session, are as follows: On the
evidence submitted Mr. Justice Cassels finds
that nothing has been shown which would
reflect on any member of the government.
So far as was disclosed for the commissioner,
nothing was shown which might in any way
impair the character of the late Hon. Messrs.
Sutherland or Prefontaine, Hon. Clifford
Sifton or Hon. Mr. Brodeur, all of whom
were concerned in transactions investigated.

Already Taken Action
With regard to some of the abuses shown
to have existed at Ottawa and the marine
agencies at Quebec, Halifax and St. John,
his lordship notes that Mr. Brodeur had already
taken action to remedy them, namely, by the
abolition of the patronage list and the crea-
tion of an adequate system of purchasing
supplies, thereby effecting a saving of about
\$100,000 a year in the department ex-
penditure. Practically the only recommendations
in his report are that these two sweeping
reforms should be applied to all the depart-
ments of the government. Other remedies he
suggests are the appointment of capable and
efficient officials who should be adequately
remunerated and the awakening of the public
conscience to a sterner demand for the honest
administration of all public moneys.

With regard to individual officials of the
department in the main here, he reports
simply the facts of evidence, leaving the
question of prosecution or dismissal to be
dealt with later by the minister. Those who
come in for the harshest criticism are
appointees of a previous administration. Deputy
Minister Gougeon, he must be held account-
able for failure to remedy the conditions shown
to have existed at Quebec, Halifax and St. John,
and his evidence was in many cases declared to
be unsatisfactory and contradictory.

Most Severe Censure

J. F. Fraser, commissioner of lights, comes in
for most severe censure, it being shown that in
direct disobedience to the minister's order he
continued purchasing supplies from Merwin
and Brooks and gave no satisfactory explanation
of numerous circumstances.
A clear case was held to have been made out
against Commander Spain, Agent Gregory at
Quebec, and more than a score of minor officials.
No wrong-doing was shown by the investigation
to have occurred in connection with the Sorel
and Montreal agencies.
Before taking action with regard to the
officials implicated by the report, Mr. Brodeur
will go carefully over the evidence, but it is
certain that heads will fall.

MINISTERS EXONERATED.

Judge Cassels in concluding his report says:
"During the investigation the names of the Hon. James
Sutherland and Hon. Clifford Sifton have been
mentioned. I think it only fair to the memory
of Mr. Sutherland and also to the nation to state
that no evidence was adduced before me casting
reflections on the character of either of these
gentlemen. The names of the

late Minister, the Hon. Raymond
Prefontaine, has also been referred to. I am
not here to judge Mr. Prefontaine or his policy,
or the manner in which his department was
administered. There are but two places where I
would consider any reflections are cast upon
him, the one I have referred to in dealing with
J. F. Fraser, the other a statement which was
made by Mr. Gregory in his defense given at
Quebec. He stated in reference to Mr. Davie,
who gave for a period of about eleven years to
Mr. Gregory the sum of \$300 per annum, that
he was very friendly with Davie, but did not
think that a reason for him to ask anything,
and when his minister said 'Try and get some
money out of those who can afford to pay it,'
he replied that the only honorable man he could
trust was Davie, and if he would lend him the
money he would take it." The judge proceeds:

RECEIVED IT FOR YEARS.

"It has to be borne in mind that for
years preceding this alleged interview and for
a long time prior to Mr. Prefontaine's
departure, Gregory had been receiving yearly
sums from Davie. I think it would be very
unjust to the memory of the deceased statesman
to accept such evidence as that of Gregory
of J. F. Fraser as casting any slur upon him,
and I feel it my duty to state that I do not
so accept it."

PUBLIC OPINION NECESSARY.

"Before concluding I may be pardoned if I
make a few observations. I am aware that what
I am going to say is not within the scope of my
duty as a judge, but I feel it my duty to state
that I am not aware that I have not the practical
knowledge to guide me as to the feasibility of
putting into practice my views. No harm, how-
ever, can come from my observations, and I feel
it my duty to state that I have sought to portray
the facts of the public conscience. If the public
generally could be brought to view with abhor-
rence graft and abuse of trust on the part of those administering the
public moneys and property, the end of such
abuses as have occurred in the past would be
in sight."

ADEQUATE SALARIES.

"Secondly--Capable and efficient officials should be adequately remunerated. Mr.
Gregory, in the control of nearly one million dollars
per annum, received a salary of \$2,300 per annum.
Mr. Harding, in the control of about \$300,000
per annum, a salary of \$1,300 per annum; Mr.
Pacena, in the control of about \$700,000 per
annum, a salary of \$1,600 per annum. It is an
easy matter for those in affluent circumstances
to hold up their hands in horror--they have not
been in a position to be tempted.
"Thirdly--The abolition of the patronage system
in the department of Marine and Fisheries is a
long step in the right direction. It is, however,
important that while the purchasing of supplies,
etc., should be controlled by an able man like Mr.
Doutre, the case will come before a jury in Quebec,
and possibly they will be able to unravel it."
His lordship detailed at some length the story
of the three checks for \$1,000 each cashed by Van
Felson, and paid as alleged to Brodeur, and
as alleged to Brodeur, and as alleged to Brodeur.
It is not proved, he says, that the checks were
signed, and there is apparently nothing in the
evidence to show who received the money. He
points out the several discrepancies and contradictions
in the evidence as given by Van Felson, the denial of Brodeur,
as to the charge, corroborated by the attendance
book of the department and the various anomalies
in the whole story. "It is difficult to understand
what motive Van Felson could have in fabricating
the story. I have come to the conclusion that on the
evidence as presented before me the case against
Mr. Brodeur is not proven."

NEW DEPUTY EFFICIENT.

In regard to the present deputy minister,
Mr. Desbarats, his lordship says that the evidence
shows him to be a most capable and efficient officer.
The only criticism made is with regard to the
increase of the number of employees of the marine
department just prior to the last general election.

J. F. FRASER SCORED.

The most serious animadversions of the
commissioner have relation to J. F. Fraser, the
former commissioner of lights, and the purchases
of Merwin & Co. and P. F. Brooks & Co. Here
again the grave charge is made of tampering
with public records.
Regarding the deals with Brooks and Merwin,
the report says: "It would appear that Fraser,
in disobedience to the orders of the minister, had
made purchases from Merwin and Brooks of
notoriety." He quotes Gougeon's evidence as to these
transactions and merely adds: "It seems to me
impossible to acquit Fraser until the transactions
with Merwin and Brooks are satisfactorily cleared
up." The well-known story of the transfer of the
debt with these firms was revealed before the
public accounts committee in 1906 and the
conflict of opinion on Merwin's evidence at Montreal
when confronted with his evidence before the public
accounts committee and asked to explain how he
could give evidence in the House of Commons and
testimony given before me, sought to explain by
stating that he was swearing for Brooks, that it
was inconvenient for Brooks to attend in Ottawa,
that Brooks had furnished him with a statement,
and that when giving his evidence he was giving it
for Brooks."

DEPUTY'S RESPONSIBILITY.

Next the judge comes to a discussion of the
responsibility of the deputy for the condition of
affairs at the various agencies, saying: "I cannot
stand how the manner in which the affairs of the
marine department were being conducted in Quebec,
St. John and Halifax could have been unknown
to the deputy. It is stated that the inspectors
did not do their duty. Continuous complaints
were being made of excessive prices paid and so
far as the deputy was concerned there was no
practical interference on the part of the deputy.
The judge recalls the letter sent by Gougeon to
Gregory at Quebec in 1905, in which he told him
to pay no attention to the letters demanding
economy as they were 'simply to save the
department in the eyes of the finance minister.'
It is stated that the agent at Quebec would
obey his instructions from those responsible for
the expenditure in the face of such a letter I fail
to understand."

THE PATRONAGE SYSTEM.

Dealing with the patronage list, Judge
Cassels quotes from the Col. Gougeon evidence
that the system had caused a loss of two hundred
thousand dollars in the past year. He notes that
on May 14, 1908, Mr. Doutré was appointed
purchasing and contract agent for the department.
This new system, according to Mr. Doutré's
statement, would save from fifty to one hundred
thousand dollars a year. On Nov. 24, 1908, Mr.
Brodeur abolished the patronage system. The
judge's comments are as follows: "The system
seems to have been based down from one
administration to another since confederation.
In my mind the adoption and continuance of
the system is absolutely wrong."
"It is based on the old maxim, 'to the victors
belong the spoils,' utterly ignoring the fact that
the money to be disbursed is money contributed
by the people generally and not the money of the
political party at the time being in power."

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JOHN KELLY ACQUITTED.

John Kelly received certain sums from J. J. Mooney, general contractor. The two men, however, were close friends, and the judge declines to find against Kelly. With regard to the Halifax agency the following are some of the general remarks made: "Patronage in Halifax extended beyond the mere naming of the merchants and others who comprised the patronage list. It extended to the nomination by the members of parliament representing the constituency of individuals, or as individuals to whom orders were to be given."

EXCESSIVE PRICES PAID IN MANY INSTANCES, AND NO PROPER SUPERVISION OR CHECK ON THE OUTLAY EXPENDED.

Judge Cassels notes the employment of eighty additional men in the Dock Yards during the election at the request of Messrs. Roche and Carney and accepts Mr. Brodeur's view that it was for electioneering purposes. He says: "I fail to see how such a transaction could be justified." It was stated that similar increases had been made during previous elections. If this were so it forms no justification for the increase given as to the control exercised over the patronage by the members of parliament.

MONCTON, N. B., Jan. 22.—William Jones, Scott Act informer, who has been instrumental in convicting quite a number of violators of the Scott Act in the past month, was arrested last evening by Constable McCarthy of Shediac, on a charge of selling liquor on the last Dominion election day.

GREGORY'S GRAFT.

In dealing with the Quebec agency first place is given to the conduct of Agent Gregory. He notes that his salary was only \$2,300 and that the expenditure at his agency was nearly one million dollars a year. Sometimes he had advanced money of his own in order to pay wages, etc. On this point, after quoting a statement by Mr. Gregory that: "They speculated on me and I speculated on the others," the report says: "Dreaded of verbiage, the fact is he has been exacting a toll of five per cent. on the amount due by the department to contractors and others who had the privilege of dealing with the department."

A summarized list of persons dealt with is as follows:

Capt. McGough, \$175, should be entitled to consideration.
Capt. Chas. Koenig, \$550, absolutely unjustifiable.
Joseph Fontaine, \$1,040, was frank, but must have had a pretty good idea that he was doing wrong.
B. Nole, \$70, little doubt that these sums were paid for the purpose of influencing his judgment.
L. P. Gagne, \$600, this money unquestionably was paid for the purpose of smoothing matters over and should both have been received by Gagne.
Paul Baidou, \$1,500, given to smooth matters over and improperly received.
Capt. Geo. D. O'Farrell, \$1,275, accusation accepted despite O'Farrell's denial as having received the sum.
Gilbert Beauchemin, \$1,075, charge proven.

CAPT. SCHMIDT BRIED.

C. Thompson Schmidt, \$112. There is but one explanation of Mr. Schmidt's conduct. He received a bribe and he knew it to be a bribe.
Thos. McConkey, \$200, not proven.
James Ferguson, about \$100, witness admitted it.
"It seems to be apparent that these moneys were paid to most of the various witnesses were paid and received as bribes."

MR. HARDING'S CASE.

Dealing with the St. John agency, Judge Cassels notes that F. J. Harding on a salary of \$1,500 handled expenditures of between two and three hundred thousand dollars a year. Expressing a desire to be lenient with Mr. Harding and drawing attention to his strained financial circumstances, the judge comments upon his case in part as follows: "His financial transactions with those having contracts or other dealings with the department were numerous. At the same time, while the transactions were numerous, in the main they consisted of accommodation afforded by his friends, money advanced to him, his check accepted and cashed at such times as Mr. Harding's friends thought fit, sometimes within a day or two, in other cases at longer periods."

In the evidence there is not any specific proof of over payment and as described in the evidence adduced at Quebec and subsequently at Halifax.

"Destruction of papers, difficulty of procuring production of books, checks, etc., faced us in St. John, as elsewhere, difficult to trace a transaction covered by such checks was also in evidence. "While a lenient judgment may be given it is impossible in my opinion to condone Mr. Harding's conduct. No agent can faithfully perform the duties entrusted to him of letting, contracts, supervising work and certifying accounts, etc., when he is under financial obligations to those dealing with him in representing the department in the manner described in the evidence."

Malcolm Morris is described as having received about one hundred dollars in presents and the comment is made that the purpose was plain and Morris had no right to accept the money.

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BORDEN ADMITS THAT TORIES WON BRITISH COLUMBIA BY A LIE

Laurier Exposes Bogus
Telegram re Asiatic
Exclusion

Borden Bribes Whole Province, Declares Premier
—Makes Sensation

Debate in House Leads to
Bitter Recriminations—
Todd's Fine Effort

The Prime Minister was proceeding to comment upon the effects of such a pronouncement when Mr. Borden jumped to his feet with the statement: "I did not send that telegram." Taken somewhat aback by this denial, Sir Wilfrid replied that he had a copy of the telegram as it appeared in the Globe, and that he would place it on the table. Moreover, he quoted from a report of a speech delivered by Mr. Cowan which showed that that member had read Mr. Borden's message at a meeting on the eve of election.

"I don't care," testily retorted Mr. Borden. "That is not the telegram I sent."

CRUSHING REJOINDER.

"Then," came the crushing rejoinder of Sir Wilfrid, "certain members in British Columbia obtained the same on false pretenses. I am sorry for the leader of the opposition, and sorry for his party in British Columbia that they should have resorted to lies to win an election."

This was too much for Mr. Borden, who again arose and explained that the message he had sent did not contain the sentence "the absolute exclusion of Asiatics." How it came to appear in the Colonist and to be freely quoted by his supporters in British Columbia he did not explain and the house was left to assume that the words had been added purposely, maliciously.

MR. TODD BEGINS.

When the house met the speaker announced that he had received a letter from William Sloan resigning his seat in Comox-Atlin and had issued the usual order for a writ of election. Then W. P. Todd, the new member for Charlotte, N. B., who defeated Mr. Ganong, rose to move the address in reply to the speech from the throne. Taking the speech paragraph by paragraph, Mr. Todd culled upon them with a fluency that favorably impressed the house. He gave an illuminating and comprehensive review of Canada's recent progress as a nation, nothing less than increasing importance as world power. He was followed by Mr. Turcotte of Quebec county, who, speaking in French, dwelt eloquently upon the tercentenary celebration.

Both mover and seconder were warmly complimented by Sir Wilfrid Laurier and Mr. Borden on their excellent speeches.

Mr. Borden followed Mr. Turcotte and quickly introduced a note of recrimination. Smarting under the defeat sustained at the polls he made a labored effort to show that the system of representation was responsible for the government's return, and then he plunged into what was intended as an attack upon Liberals for the use they had made of a notorious "duty of hour" pamphlet. If Mr. Borden had taken the advice of some of his friends he would have let sleeping dogs lie, but apparently that awful pamphlet lay heavily on his mind and he proceeded to deny in vigorous terms the statement that it had been circulated by the Conservative party. That statement is an absolute falsehood," he declared, and his party cheered. The disclaimer, however, was not allowed to pass unchallenged.

"Allow me to tell my honorable friend that the pamphlet was circulated in Pique county by the Conservatives," said E. M. MacDonald. "The cornered Mr. Borden changed the subject, passing on to deal with the suggestion that session of parliament should be shortened. Presuming that obstruction of his party he lamely endeavored to fix the responsibility for recent lengthy sessions upon the government, whom he charged with dilatoriness in bringing down legislation. He concluded with an allusion to the bill promised to penalize secret commissions and gratuities which gave him a text for dilating on bribery or constituencies."

EXPRESSIVE SURPRISE.

Sir Wilfrid Laurier expressed surprise that Mr. Borden should have been so innocent as to methods by which "duty of hour" had been distributed. "It was distributed surreptitiously by the Conservative party," he declared, "and broadly and openly by the Liberal party."

With this neat description of what really happened Sir Wilfrid passed on to survey the results of the election. He pointed out that in the Maritime Provinces in Quebec, even in Ontario, the strength of government forces practically remained unchanged. They had suffered in Manitoba, but he it from Mr. Sifton to whom he paid a warm tribute, that the success in that province had been obtained by methods which were not creditable to the Conservatives. In the province of British Columbia the situation had also changed, but it had changed because of the issue raised of a white British Columbia. At some point and with admirable restraint the prime minister proceeded to compare the policies of the two parties in regard to the exclusion of Asiatics and to show that the policy of restriction accepted by Japan and themselves was infinitely preferable to the policy of rigid and absolute exclusion advocated by the Conservatives.

DELIBERATE FABRICATION.

British Columbia was won for the Tories not merely by misrepresentation, but by deliberate fabrication, admitted by the leader of the opposition himself, though yet to be fully explained. That was the revelation which came unexpectedly to the House this evening, backed by indisputable evidence and as already indicated by the admission of Mr. Borden himself. The facts brought out by Sir Wilfrid were briefly these: On October 25, the eve of election, there appeared in the Daily Colonist of Victoria what purported to be a fac simile of a telegram sent to the Conservative party of British Columbia by Mr. Borden. It read as follows: "Your message received. Considerable party stands for a white Canada, absolute protection of white labor and absolute exclusion of Asiatics." This message was blazoned throughout the entire province of British Columbia as an official declaration by Mr. Borden of the Conservative party's policy; and Sir Wilfrid Laurier was able to show that Conservative candidates, among others Mr. Cowan of Vancouver, quoted it as such.

(Continued on Page 4)