

ENDING OF WIN CHURCH

Interesting
Services

Divine Principal
Church is Greatly
Improved

remodelled and re-
furbished. The
chandelier of twenty-five
lights, which was
removed yesterday
having been closed for
several weeks.

of the church has been
renewed. The painting
was handsomely done
by Rev. L. A. McLean, and his
work has been recon-
sidered. The church
members are con-
tinuing in their efforts
to make the church
more attractive.

W. SMITHERS INSTALLED CANON

Canon Under the
W. Memorial
Foundation

OTTON, N. B., Jan. 24.—A
large number of
the congregation
attended the
installation of
Rev. W. Smithers
as canon of the
W. Memorial
Foundation.
The service was
conducted by
Rev. J. H. Brown,
and was a most
interesting and
impressive one.

ANDERSON DIED AT CHATHAM

Resident of the
Leaves Wife and
Children

Jan. 24.—The death
of Mr. Anderson,
who was 83
years of age,
occurred at
Chatham.
He was a
well-known
resident of
this town and
was highly
respected.
He is survived
by his wife
and several
children.

CASSELLS CUTS DEEP, EXPOSES EILLS, 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
Justice 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 four-
teen large volumes of evidence cover-
ing the administration of the marine
department as adduced during the in-
quiry 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 ses-
sion, are as follows: On the evidence
submitted Mr. Justice Cassels finds
that nothing has been shown
which would in any respect on the part
of present ministers of the govern-
ment. So far as was disclosed for the
commissioner, nothing was shown
which might in any way impeach the
character of the late Hon. Messrs.
Sutherland or Perofontaine, Hon. Clif-
ford Sifton or Hon. Mr. Brodeur, all
of whom were concerned in transac-
tions investigated.

Already Taken Action
With regard to some of the abuses
shown to have existed at Ottawa and
the marine agencies at Quebec, Hal-
ifax 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 creation of an adequate system of
supplying supplies, thereby effecting
a saving of about a thousand
dollars a year in the department ex-
penditure. Practically the only recom-
mendations in his report are that these
two departments of the government
be placed on the same footing as the
other branches of the government,
and that the appointment of capable and
efficient officials who should be ade-
quately remunerated and the awak-
ening of the public conscience to a
sterner demand for the honest admin-
istration 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
proper authorities. He practically all
were appointed to their positions by
appointees of a previous administra-
tion. Deputy Minister Gourdeau, he
says, must be held accountable for
having allowed the conditions shown
to have existed at Quebec, Halifax
and St. John, and his evidence was in
many cases declared to be unsatisfac-
tory and contradictory.

Most Severe Censures
J. F. Fraser, commissioner of lights,
comes in for most severe censure, it
being shown that in direct disobedi-
ence to the minister's order he con-
tinued purchasing supplies from Mer-
win and Brooks, and gave no satis-
factory explanation of numerous cir-
cumstances.
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 con-
nection 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.
Justice Cassels in concluding his re-
port says:
"During the investigation the name
of the late Hon. James Sutherland and
that of the Hon. C. Sifton have been
referred to. I think it only fair to the
memory of Mr. Sutherland and also to
Mr. Sifton to state that no evidence
has been adduced before me casting
doubt on the character of either
of these gentlemen. The name of the

late Minister, the Hon. Raymond Pre-
fontaine, 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 \$500
per annum, that he was very friendly
with Davie, but did not think that a
reason for him to ask for anything,
upon which the 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
almost 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. Pre-
fontaine's resignation, Gregory had been
receiving yearly sums from Mr. Davie,
which it would be very unjust to
memory of the deceased statement to
accept such evidence as that of Greg-
ory or J. F. Fraser as casting any slur
upon him, and I feel it my duty to
state that I do not accept it."
"Nearly all the officials of the depart-
ment have been examined before me.
I do not name them individually, but I
do not name them as being free from
any imputation of wrongdoing. Not
that I desire to convey that those
named are guilty of wrongdoing, I
have reported on each and given my
conclusions."

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 am aware that I have
not the practical knowledge to give
me as to the feasibility of putting into
practice my views. No harm, how-
ever, can come from my observations,
and I am confident that the public
will be benefited by the knowledge
of the public conscience. If the
public generally could be brought to
view with abhorrence graft and abuse
of trust on the part of those adminis-
tering the public moneys and property,
the end of such abuses as have occur-
ed in the past would be in sight."

ADEQUATE SALARIES.
"Secondly—Capable and efficient of-
ficials should be adequately remun-
erated. 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 \$1,800
per annum; Mr. Parsons, in the con-
trol of about \$700,000 per annum, a
salary of \$1,600 per annum. It is an
easy matter for those in affluent cir-
cumstances to hold up their hands in
horror—they have not been in a posi-
tion to be tempted.
"Thirdly—The abolition of the patron-
age 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 able men like Mr. Doutré, the
thorough and systematic inspection of
the agencies should periodically be
made in order that the necessity of the
requirements demanded should be in-
sured into, and also with a view to
ascertaining if the supplies reach their
proper destination."

BIG SAVING WOULD RESULT.
"According to the evidence a saving
of about \$100,000 per annum would be
effected in the Marine and Fisheries
department alone by the change. Are
there not other departments adminis-
tered by the government which could
be dealt with in the same manner?
"It is difficult to appoint
"Would it not be feasible to appoint
a board of say three competent men,
assisted by inspectors conversant with
rising market prices, to act as guar-

anteeing agents for all the depart-
ments?"
"The office of the auditor general is
a very valuable and necessary one, but
to leave the matter with him alone is
only to lock the stable after the horse
has been stolen."
Fifty pages of the report are devoted
to a review of the Ottawa officials who
came chiefly into prominence. The
first of these is Deputy Minister Col.
Gourdeau, who applied for superan-
nuation last April. The first point with
which the judge deals is the complaint
of the civil service that the transac-
tions with these firms was
conducted before the public ac-
counts committee in 1906 and
that the evidence at Montreal, Merwin
and Brooks, which was submitted upon
Merwin's evidence at Montreal, Merwin
and Brooks, when confronted with his
evidence before the public accounts com-
mittee and asked to explain how he could
be so sure of the accuracy of the
testimony given before me sought to
explain by stating that he was swear-
ing for Brooks, that he was inconvin-
ced by Brooks to attend in Ottawa,
that Brooks had furnished him with
statements, and that when giving his
evidence he was giving it for Brooks."
Then the reports throw light on
the evidence on his visit to New
York which has never before been
made public. It explains how Brooks
was asked whether he would attend
for examination, that he wired back
that he would give evidence before
the commission if it came to New
York, and that he was also willing to
produce his books, but the report pro-
ceeds:

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 under-
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. Con-
tinuous complaints were being made
of excessive prices paid and so far as
apparently there was no practical in-
ference on the part of the deputy. He
is responsible for the proper man-
agement of the department."
The judge recalls the letter sent to
Gourdeau by Gregory at Quebec in
1905, in which he told him to pay
attention to the letters demanding
economy as they were "simply to save
the department in the eyes of the
finance minister," and says, how it
could be expected that the agent at
Quebec would obey his instructions
from those responsible for the expend-
iture in the face of such a letter fail
to understand it."

Coming to the question of charter-
ing the steamer King Edward from
Holliday Brothers of Quebec for light-
house services in 1904 at the rate of
\$125 per day, Justice Cassels notes that
Holliday received about \$6,600 more
than he was entitled to at the rate
of \$300 per day, less a discount of \$20
per day as offset for fuel, and the
vessel also for private business. It
was sought to place the responsibility
for this disregard of the contract and
the over-payment on the late minister,
Mr. Prefontaine. I think there is no
foundation for such a contention.
"In a great many respects the evi-
dence of Col. Gourdeau was unsatisfac-
tory and contradictory."
With reference to the charges made
by Van Felson, manager of the Quebec
branch of the People's Bank of Hal-
ifax, that Assistant Accountant Bou-
cassels quotes from the Col. Gourdeau
evidence that the system had caused
and accepted Mr. Tremblin's view that
it was for electioneering purposes, and
notes that on May 14, 1908, Mr. Doutré
was appointed purchasing and contract
agent for the department. This new
arrangement, 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 handed down from
one administration to another in
confederation. In my mind the adop-
tion and continuance of the system is
absolutely wrong."
"It is apparent that based on the
evidence, to the voters below the
maxim, utterly ignoring the fact that
the money to be disbursed is money
contributed by the people generally
and not the money of the political fol-
lowers of the party at the time being
in power."

presented before me the case against
Mr. Doutré is not proven."
NEW DEPUTY EFFICIENT.
In regard to the present deputy min-
ister, Mr. Doutré, 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 unnecessary increase of the num-
ber of employees from these charges
yearly just prior to the last general
election.

In the matter of Commander Spain's
expenses, the charges made
by the auditor general that they were
not correct are dealt with at some
length. "As far as the evidence shows
before me," says the report, "he has
been allowed sums for travelling ex-
penses when the records show that he
could not possibly have been in the
places where he alleges he was and in
respect of which the charges were
made."
"For instance, he alleges, that he
made a trip to Fort William and he
has charged for this trip as of the
wrong date. It would have been very
easy to have the evidence proving
the truth of this contention. No such
evidence was adduced, although the
fullest latitude for the purpose has
been allowed. It is impossible for me
to absolve him from the charges
brought against him by the auditor
general as the matter stands before
me." With regard to the \$500 received
from Mr. Fraser, Toronto, Justice
Cassels says that there was nothing to
prove any wrongdoing in connection
therewith.

J. F. FRASER SCORED.
The most serious animadversions of
the commissioner have relation to J. F.
Fraser, the former commissioner of
Lights and the present commissioner of
Marine and Fisheries. He was
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 disobedi-
ence to the orders of the minister, had
made purchases from Merwin and
Brooks of no account." He quotes
Gourdeau's evidence as to these trans-
actions and merely adds: "It seems
to me impossible to acquit Fraser un-
til the transactions with Merwin and
Brooks are satisfactorily cleared up."
The well-known story of the transac-
tions with these firms was
revealed before the public ac-
counts committee in 1906 and
that the evidence at Montreal, Merwin
and Brooks, which was submitted upon
Merwin's evidence at Montreal, Merwin
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that Brooks had furnished him with
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evidence he was giving it for Brooks."

MR. HARDING'S CASE.
Dealing with the St. John agency,
Justice Cassels notes that F. J. Harding
on a salary of \$1,800 handled expendi-
tures of between two and three hun-
dred thousand dollars a year.
Expressing a desire to be lenient
with Mr. Harding and drawing atten-
tion to his straitened financial circum-
stances the judge comments upon his
case in part as follows:
"His financial transactions with
those having contracts or other deals
with the department were numer-
ous."
"At the same time, while the trans-
actions were numerous, in the main
they consisted of accommodation af-
forded 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, as
described in the evidence adduced
at Quebec and subsequently at Hal-
ifax."
"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 as were also in evi-
dence."
"While a lenient judgment may
be given it is impossible in my opinion
to condone Mr. Harding's conduct."
"To permit a man to faithfully perform the
duties entrusted to him of letting con-
tracts, supervising work and certifying
accounts, etc., when he is under finan-
cial obligations to those dealing with
the department in the manner described in the
evidence."
Malcolm Morris is described as hav-
ing 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.

JOHN KELLY ACQUITTED.
John Kelly received certain sums
from F. J. Mooney, general contractor.
The two men, however, were close
friends, Kelly could not aid Mooney,
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 be-
yond the mere naming of the merchant
and others who comprised the patron-
age list. It extended to the nomination
by the members of parliament repre-
senting the constituency of individuals,
or as individuals to whom orders were
to be given."
"Excessive prices were paid in many
instances, and no proper supervision or
check on the outlay exercised."
Judge Cassels notes the employment
of eighty additional men in the Dock
Yards during the election at the re-
quest of Messrs. Roche and Carney
and accepts Mr. Tremblin's view that
it was for electioneering purposes, and
says: "I fall to see how such a trans-
action can be justified." It was stated
that similar increases had been made
during previous elections. If this
were so it forms no justification. De-
tails are given as to the control ex-
ercised 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 this
evening by Constable McArthur, ex-
posed on a charge of selling liquor
on the last Dominion election day.

TORONTO, Jan. 22.—Archbishop
Sweetman, who is suffering from pneu-
monia, took a turn for the worse to-
night and physicians have little hope
of his life.

GREGORY'S GRIFT.
In dealing with the Quebec agency
first place is given to the conduct of
Agent Gregory. He notes that his sal-
ary was only \$3,200 and that the ex-
penditure of 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. Gre-
gory that: "They speculated on me
and I speculated on the others," the re-
port says: "Dunned of words, the re-
fact is he has been exacting a toll of
five per cent. on the amount due by
the department to contractors and oth-
ers, and had the privilege of dealing
with the department."
A summarized list of persons dealt
with is as follows:
L. F. Gagne, \$600; this money un-
questionably was paid for the purpose
of smoothing matters over and should
both have been received by Gagne.
Paul Bolduc, \$1,500, given to smooth
matters over and improperly received.
Capt. Geo. D. O'Farrell, \$1,200, accusa-
tion accepted despite O'Farrell's de-
nial as having received the sum.
Gilbert Beauchemin, \$1,075; charge
proven.

CAPT. SCHMIDT BRIED.
C. Thompson Schmidt, \$1,212. 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 Dawson, about \$150; witness
admitted it.
"It seems to be apparent that these
moneys paid to most of the various
agencies were paid and received as
bribes."
"They must have known that they
were paid to them in consequence of
their being in a position of trust and
that the money was paid over matters in
the way of passing the accounts of the
government."

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BORDEN ADMITS THAT TORIES WON BRITISH COLUMBIA BY A LIE

Laurier Exposes Bogus Telegram re Asiatic Exclusion

Borden Bribes Whole Pro- vince, Declares Premier —Makes Sensation

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



W. F. TODD, M. P. P.

OTTAWA, Jan. 22.—The debate on
the address is not as a rule remark-
able for its relevancy to the subject
matter of his excellency's speech, and
the discussion with which the house
entered upon session today was more
irrelevant than usual.
As a legacy of the general election
the opposition apparently found them-
selves with a considerable quantity of
soiled political linen on their hands,
and this Mr. Borden, with the assist-
ance of Mr. Foster and a liberal appli-
cation of laundry soap, immediately
set to wash. One would have thought
that after the lesson taught them in
the recent campaign the Conservative
party would have been glad to leave
laundry operations alone for a time,
but there are none so blind as those
who will not see.
As has so often happened in the
past all that the leader of the opposi-
tion succeeded in doing today was to
bring trouble upon his own head. The
Prime Minister is too old a parliament-
ary hand to be taken unawares.
Mr. Borden's attack was met by a
counter attack from Sir Wilfrid Laurier,
the immediate effect of which was to
place the opposition entirely on the
defensive and to lay bare a chapter in
the history of the election of which more
will probably be heard. Everybody
knows what happened in British Col-
umbia on October 28, and many people
may have entertained such an impres-
sion by which the Conservatives cap-
tured a majority in that province, but
it was left to Sir Wilfrid Laurier to
expose in all its nakedness the trickery
which enabled the opposition to turn
of solid Liberal representation into a
minority.

LIBERATE FABRICATION.
British Columbia was won for the
Tories not merely by misrepresentation,
but by a deliberate fabrication, ad-
mitted by the leader of the opposition
himself, though yet to be fully ex-
plained. That was the revelation which
came unexpectedly to the House this
evening, backed by indisputable evi-
dence 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 Col-
umbia by Mr. Borden. It read as fol-
lows: "Your message received. Con-
servative party stands for a white
Canada, absolute protection of white
labor and absolute exclusion of Asiat-
ics." This message was diazotyped
throughout the entire province of Brit-
ish 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