

## BRITAIN ASKS FOR EXPLANATION

## The Alleged Seizure of Borneo Islands by U. S.

## UNDOUBTEDLY GREAT BRITAIN'

### The American Embassy Say Stearns Was Contemplated for Some Time.

made this step necessary, with many of my associates at the council board with whom it has been a great pleasure to me to act during the past seven years. If it is to be a final separation, I assure you I withdraw with personal feelings of the friendliest character. Will you, Sir Wilfrid accept my grateful appreciation of the compliment and honor conferred upon me when you invited me to take a seat in the cabinet at its formation in 1896? Yours faithfully, (Signed),

"A. G. BLAIR."

"Office of the Minister of Railways and Canals."

Ottawa, Ontario, July 3, 1906.

"My Dear Sir William—As I have not delivered to you my letter of the 10th inst., or that day, owing to your absence, I am sending you this letter by day or two to enable you to think matters over still further, having in view the fact that I might supplement that communication with some more material whereby a common understanding of the railway question could yet be arrived at between my colleagues and myself. I am sure that you will be interested on this question. My decided preference is for a Government-owned and Government-operated railway across the continent, and my chief reason for this is that it would be a means of equalizing and regulating influence upon all other railways throughout the country, and would be a means of doing so practically alone, and therefore I am at once that this proposition

"But the cabinet has decided that the Government should build half the way across the continent as a Government aid, namely between Quebec and Winnipeg, and when built should lease the same to the Grand Trunk Pacific, and, as to the other half, it has been determined, as I understand, that liberal Government aid shall be given the same company to build and thereafter to own to the coast.

"To this mode of solving the railway problem I am decidedly opposed. At best, it is a hybrid scheme in hav-

ing the compromise of two antagonistic principles, one of which is based on the principle of dealing with compromises of this kind, by unsatisfactorily results. The second principle is based on the principle of either view, it will be difficult to explain why the Government should not open up the St. Lawrence valley by a railway, and provide a company with Government credit to enable it to build and operate a line from St. Lawrence to the Gulf.

It is attempted to justify the eastern proposition from Quebec to Winnipeg on the ground that a great number of the people of the province are open to any and all of the western railways to connect with it, and that the Government should not open up over this common highway from the connecting point to the St. Lawrence valley, a line which would be a serious obstacle to this plan. It is wholly impracticable that this could be done by the different companies. The Government must be some authorized body to work out the line, and the Government must not the trains, but the freight and passenger service, and the general

"The necessity of this is what I presume has led my colleagues to decide that they will leave this section to the Grand Trunk Pacific, and is proposed to be assessed on the G. T. P. so binding as to enable these different railway companies to exercise what are called 'running rights' from and to Quebec and Winnipeg. This is equally impracticable in my opinion or nearly so. The G. T. P. will employ those who will handle the traffic, the officers of the line will also employ the G. T. P., and G. T. P. Company will be in the field as a keen and active competitor for west-

ern traffic with the inner companies which it is primarily intended to serve. The terminals at the end of Government-owned section, will not go into the reasons which, I conclude, but under these circumstances other companies, it is not possible to see that existing easements will not utilize those roads. For my present purpose it will suffice to say that in this opinion I believe I am absolutely correct.

As a result, I am in favor of the whole line being built and owned by the Government, but, having abandoned my expectation in that regard, I am equally in favor of the whole line being a company line, if any portion of it, or substantial portion, is to be owned by the Government. Compared, since council has determined to go forward with this undertaking

once, to co-operate with my colleagues in guaranteeing the bonds over the Government's head. The Government is paying three-quarters of the cost of construction.

It should be understood, I think, that the Government has no intention as the following—I do not profess to state all of them, but the main ones—

1. The Grand Trunk Pacific is being added to a most generous extent.

2. The Government is giving liberal assistance. In giving aid Government might very properly be looked upon as giving the country an advantage to the country in the future, and therefore I would insist that a share of the earnings would be paid to the Government.

3. The Government would not think ought to be less than a third of net earnings, or that portion of the earnings that would be required for the improvement or betterment of trade and which remained in the hands of the Government should go to the Government. In connection Government might properly claim the right to appoint and direct the management of the books of the company open to

**MINE EXPLOSION  
KILLS CHINESE**

Twelve Meet Death in British  
Columbia Colliery.

**EIGHT ARE SEVERELY BURNED**

Catastrophe Is Attributed to Fire  
Damp—Men Said to Have Dis-

**obeyed Law.**

Vancouver, B. C., July 17.—Twenty Chinamen, who disobeyed the law forbidding the employment of Mongolians underground, paid the penalty Wednesday night, when twelve were killed and eight severely burned through explosion in No. 3 incline, No. 6 shaft of the Wellington collieries at Cumberland, owned by former Premier Durnuir and his associates.

It was feared that several white men were also victims, but it was afterwards

The explosion is attributed to flammable gas, but its origin is mysterious, and all the miners carried safety lamps because of the gassy state of the workings, and all the lamps were found to be locked.

The actual explosion was so slight that next to no damage was done to the mine, and no concussion was felt at a short distance from the scene. Nevertheless, it was deadly in its nature, for as the fatal gas began to work, it swept the face, killing all searching as it went.

No sign of the disaster was apparent at the pit head, and nothing was known until the cage was run up and frightened Chinamen reached the top when they excitedly told of a

Thirty-eight out of the 50 Chinamen employed underground reached the surface in safety, and then a white rescue party went down to search for the others. The dead bodies of the doers were reached, but not without some danger to the searchers, because after-damp, which prostrated one boss.

The colliery company claims that the law prohibiting the employment of Chinese underground is unconstitutional.

**MURDER AND SUICIDE**

**A Lynn Man Shoots His Wife  
Then Himself.**

Lynn, Mass., July 17. — Owen Mc  
er, aged 30, last night shot and kil  
his wife, Georgianna, 23 years of  
and then killed himself with the s

**CHAMPION CIGAR SMOK**

**In Twelve Year's Time He Consumed**  
**48,000 Cigars.**

Kalamazoo, Mich., July 17.—Will G. Pattison, of this city, is dead in 89th year, as the result of the excessive use of tobacco. His tobacco from whom he bought exclusively gave out the statement after his death had been made public, that in two years Mr. Pattison smoked more than 48,000 cigars, which cost him \$4,800.

**A PETROLEA BLAZE**

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**Fonger and Bryant's Feed Store Burned Out.**

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Petrolea, Ont., July 17.—Last night about 12:30, fire broke out in the first building occupied by Fonger & Bryant, a feed store, and situated on the corner of

As a hour and red score and score Main street. The building is owned G. A. McGillivray. Fonger & Bry loss is about \$800, partly insured. building is badly wrecked, but ins Cause of fire unknown. Some p who had rooms upstairs lost some their clothing.

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## TARS BID FAREWELL.

**The American European Squadron Sails From England.**

Portsmouth, England, July 17. — The American squadron, under command of Rear Admiral Cotton, who was in British waters, left this morning on the Kearsarge.

en route for Frenchmans  
Maine, and the other v  
bound for Lisbon. Consid  
enthusiasm marked the departu  
the American ships. Salutes  
fired and hearty parting cheers  
exchanged by the American and  
ish sailors.

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## THE BANKING COMMITTEE

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**Minister of Finance Opposes a  
Proposed Savings Bank.**

[Special to The Advertiser.  
Ottawa, July 17.—The Minister of Finance, in the banking committee this morning, opposed the incorporation of the Mount Royal Bank of Canada. Mr. Stantec knows it was his

"No savings bank," said Mr. King, "had been incorporated since federation."

Robert Bickerdike, who has a copy of the bill, was absent, and the

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re.

The Chronicle, which names the islands, declares that although they are insignificant in size, they are of the greatest strategic importance, and that the situation created by the action of the United States is an exceedingly delicate one.

The paper adds that upon making inquiries at the American embassy, a representative was informed that the step had been contemplated for some time, and it was simply the consummation of a long-planned move.

**DRAMATIC DEATH  
OF P. M. ARTHUR**

Winnipeg, Man., July 17.—P. Arthur, chief of the Brotherhood of Locomotive Engineers, dropped dead at midnight yesterday, while speaking at the banquet closing the annual convention of the Brotherhood of Locomotive Engineers which has been

ward.

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**PLOTTED AGAINST KING**

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**Portuguese Army Officers To Be Tried by Court-Martial.**

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the instigators being officers who were cashiered some time ago. Other elements are said to be affected.

Constantinople, July 17. — News reached here that the Armenian monastery at Surpagop, near Erzinga, Turkish Armenia, has been pillaged.

**BELONGED TO THE KING**

mittee of the Privy Council has missed the appeal of the Anchor and upheld the decision of the foundland Supreme Court that

Nfld., by the Furnessia. The jury committee's decision was on the ground that the Scotia belonged to Canada and was, therefore, the King's property.

**A Total Wreck.**

St. Johns, Nfld., July 17.—The 1  
steamer Monterey, which went a  
west of Point Plate, Island of St.

ely, Miquelon, July 14, will be a total  
She has 27 feet of water in her hole