

THE HERALD

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Please don't delay your Subscriptions for 1907. We need the money, we have earned it and shall esteem it a great favor if you remit now.

The Provincial Debt.

The Patriot's juggling with the figures of the Provincial debt is about as amusing as Captain Bobadel's method of defeating an army. It may be all very well to pose as a humorist in matters of trifling import; but it is quite another thing to undertake to impose on the credulity of the public, in a matter of such vital importance as the debt of our Province. The Patriot pays a poor compliment to the intelligence of its readers by glossing over in its ship shod fashion this question of great importance to the taxpayers of Prince Edward Island. It is decidedly insulting to intelligent readers to dish up for them such a jumble of figures, on our Provincial debt, as our contemporary presents for their delectation in its issue of the 20th inst. No analysis of the debt of the Province is attempted; nothing is said about the increased expenditure of the Liberal Government, as compared with their predecessors; no mention is made of annual accumulation of deficits for the last seventeen years; the heavy annual taxation of its political friends is completely ignored. These are subjects concerning which our contemporary manifests no desire to enlighten its readers. But it trots out that venerable chestnut, the withdrawal of \$200,000 from capital. It is now twenty years since that amount was withdrawn from our capital at Ottawa, and there is no Conservative member of the Assembly or Government of that day in the present Legislature, except Mr. A. J. McDonald of Georgetown; and he requires no defence from us for any action he has ever taken as a representative of the people. His honorable record speaks for itself; and no man will dare intimate anything of a contrary nature. The antiquity of the transaction; the fact that practically all who had any part in it are now out of Provincial politics, and the additional fact that the Conservative Government, responsible for this matter, were removed from power three years later, and that the Liberals who came in then are still in control of our Provincial affairs, are sufficient reasons one would think, why this affair should be allowed to rest.

However, since our Liberal friends, whenever they are confronted with their scandalous conduct of our Provincial finances and their general maladministration, never attempt any justification or undertake any other defence than the trotting out of this imaginary bugaboo, we have no hesitation in discussing this question in its true sense. The Conservatives have nothing to hide regarding this transaction. For nine years the Conservative Government of that day, had collected no taxes from the people. By this remission of taxation, the people were better off to the extent of about \$360,000. In addition to this, the Conservative Government had by their exertions, succeeded in increasing our annual subsidy from Ottawa to the ex-

tent of \$20,000 a year. Supposing, therefore, that the withdrawal of \$200,000 from capital reduced our annual subsidy by \$10,000, our remaining subsidy was still larger by \$10,000 that it was when the Conservatives came into power. But prescinding all these considerations, the Liberals are equally responsible with the Conservatives for the withdrawal of that \$200,000 from Ottawa. In the Legislative Council at that time, the Liberals were in a large majority, and when the bill, which empowered the Government to withdraw \$250,000, went up from the Assembly, the Liberals in the Upper House amended it so as to reduce the amount, to be withdrawn, to \$183,000. That is to say, the Liberals in the Legislative Council placed themselves on record as quite willing to withdraw \$183,000. This amendment was carried, only three Liberals voting against it. When the bill came back for the concurrence of the Assembly, the amendment was rejected and bill sent back to the council, where it was unanimously passed in its original form. That is the history of the legislation leading up to the withdrawal of the \$200,000. The Government did not avail themselves of the full powers of the bill, and withdrew \$200,000 only, of the \$250,000. How much glory can the Liberals reap from this transaction?

When the Conservatives came into power in this Province in 1879, they inherited a debt of the Davies Government of \$51,740.87. This was the condition of affairs on Jan. 1st, 1879 according to F. W. Hyndman's report in the Journal of 1879, appendix N. After twelve years of office, they went out of power in 1891, and the report of Chalmers and Davison, the Commissioners appointed by the Liberals, and printed in appendix N. of the Journal of 1891, shows the balance against the Province on Dec. 31, 1890, the last year for which the Conservatives were accountable, to have been \$128,429.21. Deducting the \$51,740.87, inherited from the Davies Government, from the \$128,429.21, above referred to, the outside limit of the debt for which the Conservatives are responsible is \$76,688.34. This is proved by the public accounts of 1891 published 1892, which show the public debt on Dec. 31, 1891 to be \$158,450, and show a deficit for the same year of \$30,439.20. This was the first year the Liberals were in power, and they inaugurated their economies by rolling up a deficit of nearly \$30,500. What we wish to emphasize just here is the debt of the Province when the Liberals assumed power in 1891. Their own reports and their own commissioners show it to be \$128,429.21, and the auditor of the Davies Government shows by his declaration in the Journal of 1879 that the debt of the Province, when the Conservatives came in in 1879, was \$51,740.87. Subtracting the debt they assumed from their predecessor in office, from the debt they left to their successors, we have \$76,688.34, as shown above, as the amount of the Provincial debt chargeable to the Conservatives. Let us bear these facts well in mind and all confusion as to the responsibility for the present Provincial debt will be avoided.

As above shown the debt of this Province, when the Liberals assumed power in 1891, amounted to \$128,429.21. We have also shown that less than \$77,000 of this debt was properly chargeable to the Conservatives. Mr. Frederick Peters Leader of the new Government told the Legislature that he was desir-

ous of funding the Provincial debt and of making some repairs to the Provincial Building, and for this reason asked and obtained power to issue debentures to the value of \$185,000. He further declared that having thus got a clean sheet; thereafter revenue and expenditure would meet; the era of deficits was at an end, and the day of taxation was far off. We quote these statements of the Liberal Premier, in order that all may understand that he admitted a definite Provincial indebtedness, which he pretended would not be allowed to increase. Whatever his qualities for leadership, Mr. Peters had sufficient common sense to understand that a certain debt existed, whoever was responsible for it. Bad as he was; his conduct in this particular was in striking contrast with the course pursued by the Patriot. Our contemporary says that the present indebtedness of the Province is to be discovered by charging \$150,000 to the Conservatives and adding \$300,000 to this, and calculating what all this would amount to at compound interest. This is its simple bobadellian method of disposing of a debt of about a million dollars.

The Patriot takes no account of the methods pursued by its Liberal friends, to make revenue and expenditure meet. Our contemporary does not inform its readers that the Liberal Government set about redeeming their promises by spending from \$45,000 to \$50,000 a year more than their predecessors; by creating deficits every year without a single exception, ranging all the way from \$12,000 to \$120,000 and thus rolling up the debt from \$128,000 to what it is at the present time probably close to \$1,000,000. During the years that they were piling up the debt in this fashion, they were collecting taxes running all the way from \$45,000 to \$80,000 a year. The Patriot has no word of condemnation for the thousand and one ways in which the Liberal Government most recklessly squandered the peoples money. Its motto seems to be to keep the people in ignorance, as far as possible, of the recklessness, extravagance and maladministration of its friends in office.

We have only grazed the fringe of the question of our Provincial finances. When the House moves and the public accounts for last year are tabled we shall be better able to lay before our readers an approximate statement of our real indebtedness.

A largely attended and enthusiastic Liberal Conservative Convention was held at Souris on Saturday last. The meeting was called for the purpose of nominating two candidates in the Opposition interest at the next Provincial election. Mr. Allan Boieser presided. Mr. John McLean was proposed by Mr. Herman McPhee and seconded by Mr. Theophilus Gallant, and the motion being put from the chair was unanimously and enthusiastically carried. Mr. John Kickham was proposed by Mr. Alfred Ross and seconded by Mr. Charles Stearns and again there was a unanimous and enthusiastic confirmation. Rousing speeches were made by the candidates and others and the meeting closed with cheers for the candidates and the Liberal-Conservative party.

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Ottawa Weekly Letter.

Ottawa, Feb. 22, 1908. When Mr. Lake moved for an investigation into timber limits in the West he opened a discussion on two questions; why the Interior Department was determined to keep out of eight original timber limit applications, and what was the identity of the Imperial Pulp Company. Close examination of the documents showed the reason for concealment. There was double dealing on the face of them. It was found that a half million dollar property had been tendered for by one person sending in different names, and that the real beneficiary was the Imperial Pulp Co, whoever that might be.

A HIDDEN COMPANY.

No record of this Company's existence could be found elsewhere than in the Lands Department at Ottawa. It had no place of business, and no members who disclosed themselves. The subsidiaries in the department, knowing less than their chiefs, had quite a chase to find some one to arrange the assignments. Finally the Bank of Ottawa, through which payment was made, gave some assistance in the man-hunt, and the lawyer who put in the two tenders remained as the representative of the Imperial Pulp Company, which was supposed to be a third concern.

MORE PULL THAN BURROWS.

The Imperial Pulp Company carried on other dealings with the department from its place of concealment. Dr. Roche informed the House that this concern was the only one ever able to obtain timber limits in competition with Mr. Burrows, M. P., brother-in-law of Mr. Sifton who was minister of the Interior. Mr. Burrows obtained about twenty limits, usually on bids a mere fraction above the next man. He always came out a little ahead except when the Imperial Pulp Company was another bidder. Members asked who it could be that the department preferred to Mr. Sifton's brother-in-law. For one valuable limit Mr. Burrows made a low bid of \$8,047. There was another offer of \$31,161. Right on top of that came the Imperial Pulp Company's bid of \$31,575—just high enough and a little to spare. In the same way the collusive tender disclosed by the original papers was a mere fraction above the highest independent bid, and this limit also went to the Imperial Pulp Company.

THE IMPERIAL PULP COMPANY'S KINGDOM.

The Imperial Pulp Company owns 575 square miles, or 304,000 acres of the best lands in the West, except perhaps those captured by brother-in-law Burrows. Mr. Burrows is 3 square miles ahead, and the two concerns hold two fifths of the whole Western timber lands so far captured for speculative purposes. The Imperial Pulp Company has nearly the whole reserve supply of the region on which Manitoba will soon be dependent for lumber. It has 300 square miles containing the reserve of timber North of the district about Edmonton on the North Saskatchewan. This Company and Mr. Burrows have obtained the monopoly of the district with the Canadian Northern will open up on the Athabasca. The two concerns have gathered in everything around the Yellow Head Pass to be opened up by the Grand Trunk Pacific. It is not surprising that the question should be asked over and over again—who is the Imperial Pulp Company, to which the Interior Department under Mr. Sifton was so generous?

WHO IS THE MAN?

Mr. Ames asked 'who are the Imperial Pulp Company? We should like to know who are the shareholders? Where is their place of business and who are profiting by all the transactions?' He pointed out that they had no mills, that they bought their land for a mere bagatelle, that they seemed to understand how high to bid in order to get limits, that they were holding them as a speculation and stood to make several millions. Mr. McCarthy described the concern as "another mysterious company of whom we can receive no information," and as "a homeless company, with a post office box at Winnipeg controlling 300 square miles of timber on the North Saskatchewan." Mr. Boyce wondered whether members of the Imperial Pulp Company were like those of the North Atlantic Trading Company resolved to commit

suicide if they should be discovered. Dr. Roche found that the Imperial Pulp Company either had "a little more pull" than brother-in-law Burrows or else was acting in agreement with him. Mr. Lalor asked, "Is the Government afraid to tell us who compose the Imperial Pulp Company? Are they members of this House? Do they belong to the same crowd who have been getting so much graft from this Government in connection with timber transactions and land deals in the West? Mr. Bergeron wanted to know: "What is the Imperial Pulp Company? Why should I not believe that it is composed of members of parliament and why is the country not entitled to know? Mr. Staples mentioned the names of the "Big Four" who are quoted in the West in connection with lumber concessions. To all these questions no answer was given. Mr. Oliver in his speech only mentioned the name of the Imperial Pulp Company, Mr. Sifton, by whom the concessions were granted, made a long speech without naming the concern at all.

A STATEMENT FROM EDMONTON.

Then came the statement made at Edmonton on February 20th by Dr. H. L. Melnis. He declared that the President of the Imperial Pulp Company was an Edmonton man, and that the Managing Director was the Hon. Clifford Sifton, The Secretary was William Sifton, and the Treasurer Miss Jones, a Toronto stenographer. If this statement was accurate it explained everything. It accounted, with other things, for the refusal of the government to permit the appointment of a Committee to investigate the Western land deals. Mr. Sifton says it is not true as to him, but does not refer to the near relative mentioned as secretary. And Mr. Sifton supports the Government in refusing an investigation.

BEHIND OTHER NAMES.

No one who has followed the proceedings in the Public Accounts Committee and the House needs a post to tell him that "all things are not what they seem." Scarcely anything in the expenditure statement in the record of concessions and contracts is what it appears on the face of the return. Public business generally is no done under an elaborate alias system. Take the following as a few samples, following that of the Imperial Pulp Company. Applications for coal areas were dealt with by the department under names of 235 persons, each of whom asked for a full limit of 320 acres. These were bell boys, chamber maids, boot-blacks and other boys and girls around Ottawa. The real person was A. E. Caldwell who was after the whole 75,000 acres. Mr. W. H. Nolan, who seemed to get the Moose Lake timber limits, turned out to be some one else who had borrowed Mr. Nolan's name.

CONCEALED MEMBERS OF PARLIAMENT.

There is a Sturgeon Lake Lumber Company which has been treated handsomely in the matter of timber limits. It is another name for J. G. Turfiff, M. P., who was Commissioner of Lands when the limits were awarded; A. J. Adamson, M. P., his brother-in-law; George McCraney, M. P., with another relative of Mr. Turfiff, and a Dominions Land Agent. The Penstanguishene Dredging Company is a long name for Dr. Spohn, ex-M. P., and former office holder. The Owen Sound Dredging Company stands for Han. A. G. McKay, formerly of the Ross Government, and now leader of the Ontario Opposition.

The Grand Lakes Dredging Company is the alias of Mr. Bowman, M. P., and members of the family of James Connes, M. P. If we scratch the Dominion Dredging Company we find the family of the sitting members for Ottawa. The corporate name "Sub-Target Company" which has great contracts with the Minister of Militia, concealed the Minister's private secretary and H. H. Wickwire, ex-M. P. P., principal campaigner for the Minister in his own county.

OTHER SUBSTITUTIONS.

When the official report showed the Government buying land at Moncton from R. W. Hewson it concealed the fact that the purchase was from Matthew Lodge, a contractor and business associate of Mr. Emerson, then Minister of Railways. F. B. Pearson, M. P. P., Halifax, takes the \$14,190 rake off on a land sale to the Government, under the blue book name of J. R. Henderson. The Robins Irrigation Company uses the name of an English youth which covers up that of J. D. McGregor, special henchman of Mr. Sifton.

When H. H. Brown of Montana, applies for and obtains a 60,000 acre irrevocable grazing lease, his name stands for A. J. Adamson, M. P., of Saskatchewan. The Arundel Printing Company, which gets \$60,000 from W. T. R. Preston in London for \$20,000 worth of printing is the public accounts name for Roy Summer-ville, son of a former Liberal member of the Dominion Parliament. The Saskatchewan Land Company (rake-off \$1,750,000) is again A. J. Adamson, M. P., and the Turfiff family connection. Connected with the Bronson and Ray concessions in the Yukon

was found Mr. N. A. Belcourt, then a Member of Parliament and now a Senator. Mombalatti, the Italian railway laborer, who got the Blairmore Town Site on representations adjudged by the Court to be fraudulent, is transformed into Malcolm McKenzie, candidate for the House of Commons and now a member of the Alberta Legislature (rake-off \$199,520. When John O'Gorman (convicted in the London election conspiracy) comes to Ottawa and makes a splendid rake-off deal with G. T. P. Commissioners, he is the "Munroe Commission Company".

The New Brunswick Cold Storage Company is a name substituted for a previous company of which Sir Fredrick Borden was the inside promoter, and the Minister's son-in-law still represents the principal interest. The North Atlantic Trading Company (\$367,245) is a Public Accounts name for persons not yet hanged down but who threaten to kill themselves if they are found out.

STOP THE BONUS.

Mr. Wilson of Lennox, who has given much attention to immigration matters, has proposed a resolution demanding a more rigid inspection of immigrants and the practical abolition of bonuses to shipping agents sending immigrants to Canada. Mr. Cocksbutt of Brandon had moved that no bonuses should be given except to agricultural and domestic servant classes. To this Mr. Johnston of Cape Breton, a Government supporter, offered an amendment approving the existing bonus system. Mr. Wilson's motion goes farther than Mr. Cocksbutt's. It is an amendment, and is in the line of the Conservative platform.

THIS IS A BAD POLICY.

But the Government is increasing the payment for immigrants. In January of this year it passed an order raising from \$3.50 to \$5.00 the bonus on adult immigrants from the Continent of Europe and doubling the bonus for children. When this change was made crowds of immigrants were living on charity in Montreal, Toronto, Winnipeg and other cities. Many of these had come to Canada as agriculturalists and the Government paid for their food and their families. Mr. Wilson has the support of the Opposition in the House and of most people throughout the country when he declares that this is an outrage and that the time has come to stop paying for immigrants. The cash inducement has caused shipping agents to persuade thousands of undesirable people to come to Canada. These crowd into the cities, fill the hospitals or scatter through the country to become a burden on the community. They have been falsely told that work is plentiful and easy, wages high and everything else cheap. The system is cruel to them and unjust to Canada. Mr. Wilson showed that the country had paid in 12 years some \$7,000,000 for immigration and it now paying \$25,000 a year. No less than 1,028 immigrants so obtained have been treated in the Winnipeg hospital who are unable to pay. The United States Government refuses admission to the very classes for whom we pay \$5. per head.

PAID FOR BUT NOT HERE.

Again Canada has undoubtedly paid houses on thousands of alleged immigrants who never came to this country at all. Last Session Mr. Oliver, answering Mr. Laker's question showing that in three years from July 1903 to July 1906, 240,537 immigrants arrived destined for Manitoba, Saskatchewan and Alberta. Now the Dominion Statistician has just reported that in Canada when the census was taken he found in these provinces only 235,467, who had arrived between January 1st 1901, and June 30th, 1906. There were actually 5,070 immigrants and their families who had come in five years and a half less than the Minister of the Interior declared had been settled in those provinces in three years.

BUYING BACK A GIFT.

The Government has this week introduced two new applications. One is \$25,000 a year to pay salaries of three additional railway commissioners. The other is a "rake-off" of \$200,000 toward the purchase and adornment of the Quebec battlefields. This large amount was required to buy and remove the Ross rifle factory now standing on the Plains of Abraham. Sir Charles Ross did not wish to build there, but the contractor a minister's son-in-law, got the contract for \$200,000. The factory building will now have to be bought back, with damages to pay for compulsory removal.

A HIGH-PRICED AGENT.

Joseph Riopelle has been giving fractions of his time and attention for several months to the work of buying for the Government certain lots of land east of parliament buildings, for the site of the Supreme Court building and new department block. He settled, on Friday, that he would receive \$12,000 from the Government for his services as purchaser. The department has paid over \$7,000 to other friends to value these same lands, but Mr. Riopelle states that he was guided by his own judgment of value, and did not allow his views to disturb his opinions. One of these decorative valuers is the president of a Liberal Association. The records of the London conspiracy trial show that he was among the missionaries who had a share in that notorious campaign.

DIED.

At Little Pond, Catherine McDonald, aged 3 years, daughter of Elias and Jas. Andrew McDonald. At Little Pond, on January 19th, Ronald McCormack, aged 80 years. Rest in peace. At Little Pond, January 30th, Elias McDonald, wife of Andrew McDonald, aged 87 years. Rest in peace. At the residence of M. D. McDonald, St. George's, Lot 55, on the 22nd January, 1908, of bronchial asthma, Elias McDonald, in the 74th year of her age, beloved and respected by all her acquaintances, leaving to mourn four brothers and six sisters. May her soul rest in peace. At Souris East, on the 20th inst., Thomas Keay, aged 78 years, leaving to mourn two sons and one daughter. May his soul rest in peace. Minard's Liniment cures Diphtheria.

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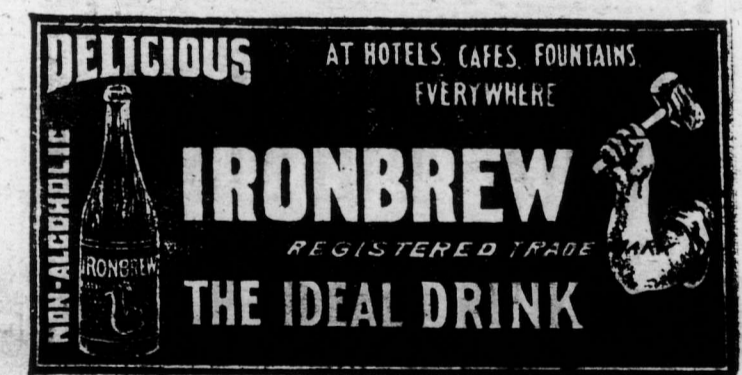
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