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THE WEATHER.

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## BIG CONFLAGRATION IN CITY OF SALEM, MASS.

Twenty Million Dollar Blaze Renders Thousands of People Homeless--The Old Witch City Gets Terrible Scorching--Fire Originated in a Leather Factory and Fanned by Strong Wind It Spread Very Rapidly--Lighting Plant Put Out of Business

Salem, Mass., June 25—Nearly half of the "Old Witch City" of Salem, rich in historic building and tradition, was devastated today and tonight by a fire that caused an estimated loss of \$20,000,000, destroyed one thousand buildings, including a score of manufacturing establishments, and made 10,000 of the 45,000 residents homeless.

The fire originated in the Korn Leather factory on the west side of the city about two o'clock this afternoon, swept through the shoe and leather manufacturing district, ruining every building in a curving path two miles long and more than half a mile wide.

Burning embers, carried by a strong northwest wind, started fires in two other sections, the fashionable residential district, adjacent to Lafayette street, and a manufacturing and tenement house district on the peninsula bounded by Palmer's Cove, South River and the water front.

"The House of Seven Gables" was also in the danger zone. The fire burned a semi-circle path. Originally driven in a southeasterly direction from the foot of Gallows Hill, the place where witches were hanged two and a half centuries ago, it spread to South Salem and then changed its course and crept steadily in a northerly direction toward Town House square, the centre of the City's retail business life.

For a time the whole city seemed doomed. Then the firemen concentrated their energies in a single point of defense near the Boston & Maine railroad station. Several buildings in this vicinity were dynamited, every available line of hose was directed against the approaching flames, and late tonight it looked as though the fire had been checked.

No fatalities had been reported up till midnight, but in the confusion it was impossible to determine the casualties. Some fifty injured persons were received at the hospitals.

Thousands of the homeless were camped on Salem Common tonight, with such household goods as they could have piled around them. Long lines of refugees, most of them on foot, and others in wagons, carriages and automobiles crowded the road leading to Beverly, where hundreds spent the night in the park.

Early in the evening the electric light plant was burned out, throwing the city into darkness.

The High School, police station, state armory, churches and other public buildings were thrown open to the homeless ones and the city was policed by militiamen.

The great destruction was due to poor water pressure.

## MANY BANKS INVOLVED

The Biggest Mercantile Failure in History of United States

The H. B. Claffin Company of New York Fails With Liabilities of Thirty Millions

New York, June 25—The biggest mercantile failure in the history of the United States was precipitated today when receivers were appointed for the H. B. Claffin Company of this city. The company it is estimated, owes more than \$30,000,000 which, at the present time, is unable to pay. Its assets are said to be \$44,000,000. John Claffin, head of the concern, and its chief individual stockholder, is the owner of a chain of nearly thirty other dry goods enterprises throughout the country which are involved in the failure. Receivers for several of these were named today, and similar action, it was announced, would be taken in the case of the rest. Their business will be continued under receivers management until their financial affairs have been adjusted.

From three thousand to five thousand banks in all parts of the United States, compose the bulk of the Claffin creditors. They hold notes aggregating the major part of the liabilities. These notes are said to have been by the various Claffin stores, endorsed by H. B. Claffin and Company, when discounted, in financing their needs.

According to Mr. Claffin the failure was due to unprecedented shifting of trade centres in New York City, which compelled the concern to rely mainly upon its retail stores in other cities for its profits.

The crash came today after vain efforts had been made by Mr. Claffin to induce J. P. Morgan and Company and other Wall Street banking interests to loan him money to tide over his embarrassment. These bankers, it was learned, advanced the company several million dollars about two weeks ago, but the hundreds of note holding banks throughout the country continued to press their claims until it became evident that practically the whole \$30,000,000 would have to be raised to save the company from failure.

The failure today marked the fourth financial crisis H. B. Claffin Company since it was first established in this city in 1843.

## \$20,000 CLEARED IN SHELDON SCHEME

Montreal, June 26—Vassil M. Delmege, the bank clerk who is accused of the theft of \$7,000 from the Merchants Bank and who is now in jail awaiting his appearance in court tomorrow morning, cleaned up \$20,000 it is said, in the C. D. Sheldon Get-Rich-Quick investment scheme which cost citizens of Montreal hundreds of thousands of dollars and landed Sheldon in the penitentiary for five years.

Among the papers and records found by the curator of the Sheldon estate was an entry relating to the sum of \$20,000 paid to Vassil M. Delmege as a profit on his investment. It is said that this sudden rise to comparative wealth by Delmege led to his beginning his career as a speculator on the stock market.

The bank officials are said to be now in possession of information which throws light on the methods used by Delmege in his alleged speculations. It is said that the methods used were so simple that suspicion was not aroused in the minds of the bank officials for a long time and the alleged thief had a considerable time in which to carry out his scheme.

Dr. and Mrs. Turner, of Meductic, arrived in the city last evening in their motor car and left this morning for Brown's Flats.

Mr. and Mrs. A. Hamilton McKee and son arrived from Ottawa at noon and are the guests of Mrs. McKee's mother, Mrs. W. T. Wilehead.

## Proceedings of Royal Commission Were Lively Today

Mr. Carvell Made a Strenuous Effort to Receive Additional Information in Reference to the Loan of \$350,000 Made to Gould and His Associates at the Time of the Last Election--Chairman McKeown Rules in Favor of Carvell, But the Other Commissioners Decide Against Him

(Special to The Mail.)

St. John, N.B., June 26—In the face of most strenuous opposition by counsel for Premier Flemming and Col. McLeod at the royal commission inquiry this morning, Mr. Carvell gradually unfolded the particulars of that big loan of \$350,000, which was made by Gould and his associates and over \$200,000 of which was paid to Mr. A. R. Gould before the date of the New Brunswick election in 1912. When the altercation of opposing counsel grew bitter Mr. Carvell told Mr. Teed, who is Flemming's counsel, that both of them knew why objection was being made to particulars of this loan and then Judge Wells took a hand and argued along lines of Mr. Teed and Titus Carter. It rather reflected upon Carvell's persistence after particulars.

CARVELL AND WELLS CLASH.

The outbreak between Mr. Carvell and Judge Wells, which many have been looking for since Wednesday, then came and Mr. Carvell, in firm, determined tones, told the commission that the time had come to assert his rights. Judge Wells admonished him not to bellow an impertinent term, which drew a straight challenge in return from Carvell to Wells.

"The time has arrived," he said, "when it must be determined if I have not some rights in this court. I'll believe, Judge Wells, as long as I want to. It is time that we understood each other."

Then McKeown ruled in favor of admitting the particulars of the big loan. Judge Wells was against it, and Fisher, after considerable hesitation, agreed with Wells.

Chairman McKeown, in his ruling, said that \$200,000 of this \$350,000 had been repaid out of monies raised by the credit of the province and a prima facie case had been made out that this large sum had been diverted from its proper channel. This was the language of Dugal's charge and his decision was that it was entirely proper to inquire to whom this was paid. To the amazement of everybody, after this evidence had been ruled out Markey, Montreal counsel for Prudential Trust Company,

THREW DOWN HIS HANDS.

and offered the agreement in connection with the \$350,000 loan to Gould, Lisman, Ross Thompson and McDonnell, which was fought over for hours yesterday and ruled out. The agreement was read and told the whole story.

"All things come to him who waits," laughed Mr. Carvell in triumph as this evidence was put in.

It was shown by this document that "Borrowers" Gould, Lisman, Ross Thompson and company hunted up the Prudential Trust Company as soon as the funds of the province for the railway was there and planned the \$350,000 raid. They succeeded, and A. R. Gould received fifty thousand May 1st, fifty thousand May 15th. Then before the next installment of fifty thousand, the provincial elections were announced May 27th, to take place June 20th. Then came an other fifty thousand and on June 1st and fifty more on June 15th, five days before polling. Of course nothing was said about the elections or election dates in the evidence but the coincidence in dates must be in the minds of many.

St. John, July 26—Some astonishing financing was the feature of yesterday's evidence before the royal commission on the Dugal charges.

It developed during the testimony of yesterday that no sooner had the proceeds of the bonds been deposited with the Prudential Trust Company than a loan of \$350,000—which had been arranged for previously—was secured from the Trust Company by A. R. Gould, Ross Thompson, H. E. Macdonell and P. J. Lisman. This was before serious construction work was under way.

It was shown that \$207,000 of this as yet mysterious loan, was subsequently repaid out of money given to the railway company on progress estimates. In other words, portions of the money provided by the province for construction work from 1912 to

time was apparently used to pay off a great part of this \$350,000 loan, the purpose of which has not yet been made clear.

The men who constituted the company, it was proved at every turn, put in no money of their own. They did not have to. There was an easier way.

Not only did they get this \$350,000 loan before doing any serious work on the railway, but they failed to put up out of their own pockets the \$30,000 paid by the province for surveys. The legislature specified that the railway builders—the Gould interests—should repay this to the province before any bonds were guaranteed or converted. They did not do so. They repaid it out of the bond money when they began to draw upon that.

Also, the legislation provided that the bonds were to realize not less than 98 per cent. They were sold at about 95. The Gould interests were to pay the difference—some \$95,000—out of their own resources. They didn't. In time they made a demand draft on the Prudential Trust for this \$95,000. They knew what they were doing evidently, for subsequently the Flemming government amended the legislation and by a retroactive clause it was made legal to sell the bonds (already sold) at 95. It was easy.

The company was to meet the interest on the bonds in London out of its own funds. It did not do so, but met the interest in one case at least out of the proceeds of the bonds on which the interest was payable.

It was an interesting and significant day's testimony. In addition to these sidelights upon Valley Railway or Gould finance some of the objections of counsel were rather striking.

It was definitely announced at yesterday's hearing that no session of the commission would be held in Fredericton this week.

When the court convened for the

morning session, B. Hal Brown, president and general manager of the Prudential Trust Company, Montreal again took the stand.

Before continuing, Mr. Carvell asked if it were the intention of the commission to resume the timber lands inquiry on Monday. It was decided that the Valley Railway charges should be continued instead and the land charges further adjourned.

Mr. Fowler objected to this course and Mr. Carvell said:

"It is not necessary to disguise the facts. What we want is to get Mr. Berty back and will do it if it is humanly possible."

Mr. Carvell then proceeded with the examination of the witness, taking up first the St. John and Quebec subscription account and questioning the witness regarding various payments.

The witness explained that the Dominion Steel Company would not supply the rails until a draft was accepted. The drafts were made in December and January and were due in April and March.

Mr. Carvell pointed out that the drafts bore no evidence that interest was to be paid.

Witness—That was a banking arrangement with the railway company. Q—Is that a usual arrangement, to pay a manufacturing company large sums of money for rails before they are even manufactured?

A.—That was the arrangement that had to be met.

Mr. Carvell read the order-in-council of April 9 setting forth that the railway company had applied for a further bond guarantee and the report of Provincial Engineer Maxwell to the effect that the work completed to February 28 would justify a further guarantee of \$900,000 and recommending that an advance of \$40,000 be made on account of work done in March. The effect of the order-in-council was to authorize the additional guarantee.

## SUFFRAGETTE A WALKING ARSENAL

London, June 25—The trial today of the suffragette, Miss Irene Casey, who was arrested at the time of the king's recent visit to Nottingham, has revealed that she was carrying in her dressing bag a regular arsenal, including four quarter pound boxes of a high explosive, detonators, twenty feet of fuse, a bottle of benzene, chisel, pliers and a glass cutter.

## ASK PARDON FOR MURDERESS

Indianapolis, Ind., June 26—The State Board of Pardons today took up for consideration a petition for the pardon of Mrs. Rae Krauss, who is serving a life sentence in the "woman's prison here for the murder of her young stepdaughter. The crime was committed in Hartford City ten years ago and attracted wide attention at the time. Mrs. Krauss confessed to having given the girl poison after the woman's conviction her husband obtained a divorce.

## MEMORIAL TO DANIEL WEBSTER

Marshfield, Mass., June 26—Marshfield, the home and burial place of Daniel Webster, was the scene of an interesting ceremony today on the occasion of the unveiling of a memorial in honor of the famous statesman. The memorial was erected by the Daughters of the American Revolution and consists of a mammoth boulder bearing a bronze tablet suitably inscribed. The oration at the unveiling was delivered by John D. Long, former governor of Massachusetts and secretary of the navy under Presidents McKinley and Roosevelt.

## SCOTT ACT REPEALED IN NOVA SCOTIA

Halifax, June 25—Voting on the repeal of the Scott Act in the counties of Hants, Kings, Cumberland and Pictou took place today and the act was voted out in all of the counties by majorities, ranging from 2,000 to 3,000. As a result of the Nova Scotia Temperance Act goes automatically into force in these counties. The campaign for the repeal of the Canada Temperance Act, which is a Dominion law, was inaugurated and carried in the Nova Scotia Temperance Alliance with a view to bringing into operation the provincial law, which they claim is a more drastic and effective measure of prohibition than the Scott Act.

## ROYAL VISIT TO HULL

Hull, Eng., July 26—The people of Hull turned out en masse today to welcome King George and Queen Mary on the occasion of their visit to attend the opening of the new Humber docks. In addition to the opening of the new docks, Their Majesties laid the foundation stones for a girls' school and a tuberculosis hospital.

## INTERNATIONAL CONFERENCE FOR MISSIONARY EDUCATION

Blue Ridge, N.C., June 26—An interdenominational conference of mission workers, Sunday School leaders and others interested in religious work was opened here today and will be continued until July 5. The conference is the first of a series of five gatherings to be held during the summer under the auspices of the Missionary Education Movement of the United States and Canada. The chief purpose is to bring together the young people and to prepare them for more effective work in the churches.

## WANTS BETTER TREATMENT FOR COUNTY JAIL PRISONERS

To the Editor of The Mail:

Dear Sir:—As the York County Council will soon be holding their semi-annual session in this city, I would ask you to allow me space in your valuable paper to set forth a few ideas in regard to the up-keep, management and care of the prisoners in the county gaol in this city.

I may say that for some time past it has been current topic in this city and also out of the city that improvements should be made in the quality of food or ration allowed the prisoners incarcerated in our gaol and that the clergymen should be asked to give more of their attention to visiting these prisoners. As a matter of fact, I am told that the prisoners' fare in said gaol is of a very meagre kind, not enough proper nourishment to keep body and soul together. Now, I learn that the gaols in other cities and places have a diet for their prisoners that is substantial and nourishing, where the fare given here is only bread and water.

We recently had illustrated to us that a certain prisoner incarcerated in this gaol I speak of, through want of proper food, had to be sent to the hospital for treatment, from which came death ensued. Some people who go there are fortunate enough to have friends to bring them extra food and probably get along fairly well, but there is a right way and a wrong way to do everything. Just because a person happens to be put in prison it is no reason why they should not be properly fed and cared for. In reading history the old Dutch method to shorten their prisoners' lives was to feed them on bread and water. Now, this is supposed to be a Christian community and christianity without works is nothing. I would ask that some of the powers that be, give this matter their careful consideration and now allow it to be said that Fredericton and York county treat their prisoners in an inferior way from that of other places.

A few suggestions I will make and these are:

First—that the clergy of the different churches here call a special meeting and decide on some plan of action

and have a delegation to visit both the City and County Councils when in session and urge of them to have established a proper diet for prisoners in our gaol. To my mind, a few good physicians could decide that for them, they knowing what it takes to keep the body in a proper condition as far as food goes. After the doctors or capable persons appointed give their decision as to what proper food rations would be to insure health to the prisoner, then let these corporate bodies of the city and the county make out a schedule in their bylaws, setting forth the same or have a bill framed and put through parliament to make a law as per said schedule to give proper food allowance. In the meantime, if really needed, let a subscription be taken and proper food be given to these, our prisoners.

Now, in addition to the food question, I would say that the clergymen of the different churches appoint a gaol committee and have a clergyman appointed each month from among their midst to visit the gaol and attend to the religious wants of the prisoners, and whatever doctor is employed by the Board of Health, to make periodical visits to the gaol and see that the sanitary conditions are kept good and satisfactory.

Now, I am writing this letter without any enmity or wanting to find fault, but where I have heard much talk among so many and no one takes any action, I am writing this to draw the public's attention to this matter. I may say that the gaoler, Mr. Timmins, is to my mind a man who is doing the best he can, with what he has to work with. If Mr. Timmins has to go all over the county serving writs and legal papers he cannot be on the road and in the gaol at the same time and therefore many things cannot have the attention that I know he would like to give them.

Now, in regard to this matter, some subordinate should be appointed to be as it were, caretaker of the gaol in his absence, for in case of any sudden illness or tragedy which might

(Continued on Page Five)