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The Daily Mail

THE WEATHER.
Maritime — Southerly to west-
erly winds, some showers but
partly fair.

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TWO CENTS PER COPY

THE AUSTRIAN ARMY IN FLIGHT

THE DUGAL ENQUIRY IS BROUGHT TO A CLOSE

The Evidence Summed up by Messrs. Stevens, Teed, Fowler and Carvell—Premier Flemming Comes in for a Severe Castigation—Mr. Carvell Claims That the Valley Railway Probe has Saved the Province Half a Million Dollars—Much Money was diverted

St. John, Sept. 4.—The Dugal inquiry into the charges against Premier Flemming and members of his government, which has been replete with sensations from start to finish, was brought to a dramatic close with the telling speech of F. B. Carvell, leading counsel for Mr. Dugal, yesterday afternoon.

The final day of the public hearing was devoted to the arguments of counsel in the Valley Railway case, and Mr. Carvell's address to the commission was a statement which should command the attention of every resident of the province.

That the inquiry will make possible a saving to the province of more than half a million dollars was one of the most interesting of Mr. Carvell's statements and he quoted the facts and figures to prove his assertion.

This immense sum is made up of entries totalling more than \$150,000, which Mr. Carvell asserts should not be paid out of the proceeds of the bonds guaranteed by the province; by the \$100,000 still due on the debt to the trust company, not used in construction but assumed by the construction company, and by the \$400,000 of additional aid to which the company is not entitled but which, Mr. Carvell asserts, would be made available to the company by the methods of book-keeping employed by the company.

But for the glare of light thrown on the transactions of the railway promoters by the investigation, Mr. Carvell declared that every cent of this money would have been taken by Mr. Gould and his associates and this great additional burden placed upon the province.

Mr. Carvell argued that many payments, legitimate in themselves, were not to be included in the cost of the railway upon which the government aid is based and that the province had no right to assume the liability for them. These amounts included the payments for the preliminary survey, amounting to \$30,000 and many of the heavy charges for legal expenses.

In addition to this were the payments for which, he asserted, there was no justification, the payment of interest on money borrowed and not used for construction, the Seely payment of \$4,000, the \$1,000 to The Gleaner, the \$3,000 to Mr. Winslow, the \$15,000 paid to Mr. Gould for salary, the \$1,800 to him for office expenses at Presque Isle, and various expense accounts of from \$100 to \$1,000.

Then there is the amount of \$62,000 cunningly concealed, as Mr. Carvell said, in the progress estimates this year to provide a ten per cent profit for the construction company. This amount has been paid, but there is also the entry of \$338,000 for the same purpose representing ten per cent on previous work, which has not yet been paid, but which Mr. Gould said he intends to secure if he can. Mr. Carvell pointed out that the province is financing the entire cost of the road which Mr. Gould will own when completed and denounced his attempt to secure a ten per cent bonus along with the gift of the road.

RAKING OFF ANOTHER \$100,000.

Of the \$350,000 borrowed from the Prudential Trust Company the accountant of the construction company was able to show only about \$250,000 used for construction purposes, but the construction company

has agreed to repay the entire amount and has paid all but \$97,000 out of progress estimates. If steps are not taken to prevent it, Mr. Carvell asserted that this additional \$100,000 would eventually be found in the bill which the province must foot.

What the extra \$100,000 was used for Mr. Carvell said he had been unable to prove, because of the refusal to produce the books from the New York office of the railway company. The fact that the loan had been made at the time of the last provincial election, indicated the purpose for which it was required and he boldly stated that the amount had found its way either into the pockets of Premier Flemming or into the campaign chest of the Conservative party.

The tremendous sum of \$400,000, not yet paid, but upon which Mr. Carvell declared Mr. Gould has designs, is the extra \$2,000 a mile of additional assistance over and above the cost claimed for the road which is made available by the legislation of the last session of the legislature.

The highest cost claimed for the road is \$38,000 a mile and this is covered by the dominion subsidy, the first guarantee of \$25,000 a mile and \$8,000 of the second guarantee. There is still \$2,000 of the second guarantee available if the cost can be shown to be so great as to require it, and Mr. Carvell pointed out that the wording of the act makes it possible to apply this amount for the entire two hundred miles of road to the ninety-four miles not yet built and he asserts that the methods of the company will make it possible for the management to claim this additional amount if they are not checked.

Mr. Carvell argued that actual diversion of funds had been established, and that the proposed and evidently planned diversion will be even more serious.

PREMIER FLEMMING ARRAIGNED

Regarding the personal charges, he simply stated the case for and against Hon. Mr. McLeod and left the commissioners to draw their conclusions. With Mr. Flemming he was not so gentle. Much to the disadvantage of the premier he compared his refusal to answer questions and his efforts to shield himself behind the rights of the accused, with the frankness with which Mr. McLeod gave his evidence and showed himself ready to take his medicine if any was to be administered.

The payment of John Kennedy was sufficient evidence, he declared, of the willingness of the premier to profit by his position and of the fact that he did so. He also referred to the alleged payment by James H. Corbett which could not be proved because of Mr. Corbett's absence from the province and his refusal to come to St. John to give evidence.

Mr. Carvell's arraignment of the premier should be sufficient in itself to drive that discredited politician from public life.

A solemn warning was given by Mr. Carvell to the effect that unless the railway is continued to St. John and Grand Falls to make it part of the Transcontinental system the road, instead of being an asset to the province, will be a liability which will hang like a millstone around its neck.

The argument for the complainants

(Continued on page five.)

Six Hundred Thousand Men Reported to be Fleeing Before the Victorious Russians---Seventy Thousand Prisoners---Germans Said to be Thirty Miles From Paris

London Chronicle Correspondent Reports That the French Authorities are Considering the Advisability of Surrendering Paris to Prevent Property Destruction by Shell Fire---Germany Reported to Have Sent an Ultimatum to Holland---French War Office Says Situation in the North is Unchanged---Germans Advancing Along the Oise Valley

WAR SUMMARY

The Advance guard of Germans is 30 miles from Paris. Despatches to London say the Germans have captured Amiens and Lafore.

The French war office says the Situation in the North east remains unchanged.

According to passengers arriving on the Maurentania, a Russian army of 72,000 men was transported from Archangel to the Coast of Scotland and thence down through England and finally conveyed to Ostend.

Germans are said to be advancing along the Oise Valley and are making a determined effort to invest Laons and Rheims the last interior fortified position outside the Paris defenses.

Russia may invade Austria with a new army operating by way of the Danube.

A dispatch from Milan, Italy, says that the right of third Russian army south of the Lube has been victorious.

The Allies are reported defeated forty miles from Paris; Six hundred thousand Austrians in flight, Seventy thousand were taken prisoners.

(By direct private wire to J. M. Robinson & Son, Bankers and Brokers.)

London, Sept. 4.—It is reported at Lloyd that Germany has sent an ultimatum to Holland. There is no confirmation.

London, Sept. 4.—The Chronicle's correspondent at Rouen, France, reports that he has learned that the authorities of Paris are considering the surrender of the city to prevent the destruction of property by artillery fire.

WAR CANNOT LAST LONG.

The present day war cannot be compared with even the Seven Years' war not only on account of the modern destructive weapons, but because of the vast greater number of men employed in the modern armies. Twenty million men at least, have been taken from the constructive side to the destructive side. This alone means that the main war cannot last long, but after Germany gets smashed it will take some time to get the nations involved satisfied. The ultimate end of the main issue ought to be assured before Christmas and the war itself should not last over one year to eighteen months.

BRITISH LOSSES TO DATE.

London, Sept. 3.—The official bureau issues a further statement of British casualties as follows:

Killed—18 officers, 62 other ranks.
Wounded—78 officers, 312 other ranks.
Missing—36 officers, 4,672 other ranks.

The first list announced Wednesday was as follows:

Killed—36 officers and 127 men.
Wounded—57 officers and 629 men.
Missing—95 officers and 4,183 men.
Making total to date:

Killed, 243.
Wounded, 1,076.
Missing, 4,036.
Total casualties, 10,355.

The official bureau explains that the missing mentioned in the list of

casualties are men not accounted for and include unwounded prisoners and stragglers as well as men killed or wounded.

As regards the "other ranks," it is said that 4,682 men are returned as having been sent back to their base as unfit and that a large proportion of these would be included in the number shown as missing in this and the previous return from general headquarters.

In the report of casualties received tonight the names of the officers were given. Only their next of kin have been informed and the names will be published as soon as possible. No names in the other ranks have yet been received but a number of wounded already have been brought home.

BRITISH RETIRE.

London, Sept. 3.—The Paris correspondent of The Mail sends the following despatch:

"I have just returned from Compiègne. The English have left the town. The bridges over the Oise were blown up this (Monday) morning. The Germans were expected there hourly.

"One important section of the battle which drove back the allies left was fought at Bapaume on Thursday and Friday. On Friday morning the Germans brought up many machine guns in a dense fog and in a six-hour engagement, the French suffered severely. A British force unexpectedly arrived and occupied the French position and allowed the French to retire. Then, though hard pressed, the British continued to fight a magnificent rear-guard action."

GERMAN CAVALRY APPROACHING PARIS

Paris, Sept. 3.—A proclamation has been issued by the Government announcing that the Government departments will be transferred temporarily to Bordeaux.

The proclamation is as follows: "Frenchmen: For several days our heroic troops have been engaged in fierce combats with the enemy. The

courage of our soldiers has won for them a number of marked advantages. But in the north the pressure of the German forces has constrained us to retire.

"The situation imposes on the President of the republic and the Government a painful decision. To watch over the National safety the public authorities are obliged to leave, for the moment, the city of Paris.

"Under the eminent chief, the French army, full of courage and spirit, will defend the capital and its patriotic population against the invader, but the war must be pursued at the same time in the rest of the French territory."

"The struggle for the honor of the Nation and the reparation of violated rights will continue without peace or truce and without a stop or a failure. None of our armies has been broken.

"If some of them have suffered only too evident losses the gaps in the ranks have been filled up from the waiting reserve forces while the calling out of a new class of reserve brings us tomorrow new resources in men and energy.

"Endure and fight! Such should be the motto of the allied army, English, Russians, Belgians and France."

"Endure and fight! While on the sea our allies aid us to cut the enemy's communications with world."

"Endure and fight! While the Russians continue to carry a decisive blow to the heart of the German Empire."

"It is for the Government of this republic to direct their resistance to the very end and to give to this formidable struggle all its vigor and efficiency. It is indispensable that the Government retain the mastery of its own actions. On the demand of the military authorities the Government therefore transfers its seat momentarily to a point of the territory whence it may remain in constant relations with the rest of the country."

"The government does not leave Paris without having assured a defence of the city and its entrenched camp by all means in its power. It knows it has not the need to recommend to the admirable Parisian population a calm resolution and sangfroid, for it shows every day it is equal to its greatest duties."

"Frenchmen, let us all be worthy of these tragic circumstances. We shall gain a final victory and we shall gain it by untiring will, endurance and tenacity. A nation that will not perish and which to live retreats before neither suffering nor sacrifice is sure to vanquish."

This announcement, significant in itself, was preceded by a short statement from the War Office, which disclosed the peril threatening Paris. For the Germans are marching down upon the line of the Oise River, fifty miles from its gates.

RE-INFORCING SERVIAN TROOPS

London, Sept. 3.—A despatch to the Central News from Copenhagen, says a message received at Berlin reports the receipt of advices from Austrian army headquarters stating that Russia is transporting ammunition continuously by way of the Danube to Servia.

At the mouth of the Danube extensive measures are being taken preparatory to the despatches of Russian troops to Servia.

SERVIA STILL FACING ENEMY

London, Sept. 3.—A despatch to the Star from Athens says: "The Servians are sending as many troops as possible to reinforce those already at the River Drina. There is no truth in the report that the Austrians are withdrawing troops from the Servian frontier, and sending them to meet the Russians."

On the contrary, Austria is sending more men against Servia, to prevent Servians entering Bosnia."

LE TEMPS TO BORDEAUX

Paris, Sept. 3.—The Temps announces its intention to follow the government to Bordeaux, and publish there.

PUTTING LID ON

Paris, Sept. 3.—Beginning tonight, no persons may leave or enter Paris between eight o'clock in the evening and five o'clock in the morning without a military pass. Automobiles may enter freely during the day, but cannot leave without permits.

Pedestrians are permitted to pass without challenge during certain times. Gardeners bringing fresh vegetables to the city are permitted access at half hour intervals during the night.

BANK GOES TO BORDEAUX

Paris, Sept. 3.—The government will issue a proclamation tomorrow transferring the Bank of France from Paris to Bordeaux.

MAY CUT OFF GERMANS.

London, Sept. 3.—An undated French despatch to The Times says: "The valley of the Somme has been abandoned. La Fere has been taken, after a bloody contest. We were obliged to retire Saturday evening."

"The right wing of the Germans," says the correspondent, "is too far advanced and there is a chance that it will be cut off and caught between two fires if the British should be found in force. Our centre is resting very well and the right wing of our army appears to be taking the offensive."

WEDDING OF LOCAL INTEREST

A wedding of local interest took place in the Cathedral of the Immaculate Conception at St. John yesterday when Miss Gertrude Estelle MacNeill was united in marriage to Mr. Henry M. Bridges of St. John. After the ceremony the happy couple left on the 6.15 train on an extended honeymoon trip to Boston, New York, Washington and other American cities. Miss MacNeill's parents, Mr. and Mrs. John MacNeill formerly resided in this city.

TO ATTEND CONVENTION

Mr. and Mrs. F. J. Coleman and daughter, Miss Allie Coleman, left last evening for Winnipeg where Mr. Coleman will attend the biennial convention of the Brotherhood of Maintenance of Ways Employees.

ON INSPECTION TRIP

Mr. Arthur Limerick, inspector of weights and measures, has returned from an inspection trip through York, Sunbury and Queens County.