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## Two Million Dollars more for Valley Railway Contractors More Grave Charges Against The Flemming Government

Long Looked for Bill Brought Down in the House by Premier Flemming---\$10,000 a Mile for End Sections and \$8,000 for Road From Gagetown to Centreville---Borden Government Has Promised Another Two Million Dollars for Bridges

Premier Flemming brought down the bill providing increased aid for the Valley Railway in the legislature last evening. He spent the day in his room at the Barker House and it was ten minutes past nine when he put in an appearance in the House. In the meantime two caucuses had been held up by his supporters and they planned to give their leader an ovation. The premier evidently had a tip on what was coming as he was conveniently late in arriving. His appearance was the signal for an outbreak of desk-slamming which was kept up for several minutes. The object of the demonstration was to show the public that while grave charges had been preferred against the premier, his legislative followers were prepared to stand by him. Although the little stage-play was quite appropriate it failed to dispel the deep gloom which has hung over the House for the past week.

It was quite evident from the frequent outbursts of applause during the progress of the premier's speech that most of the members who have been kicking against a further bond guarantee to the Valley Railway have been whipped into line.

Mr. A. R. Gould, president of the St. John & Quebec Railway Company, occupied a seat on the floor of the House during the evening. A number of subcontractors occupied seats in the gallery and the premier's announcement that provision would be made in the bill for payment of their claims seemed to be very pleasing to them.

The bill which was read over and explained by the premier provides for an additional bond guarantee of \$8,000 per mile for the three sections of the road between Gagetown and Centreville and a further guarantee of \$10,000 per mile for the remainder of the road. The government proposes to add \$1,000 per mile to the interest fund, bringing it up to \$2,500 per mile. This money is to be used in payment of the interest charges should the government's share of the operating receipts not be sufficient for the purpose. The most important announcement made by the premier was that the Dominion government had given assurance that the bond guarantee in aid of bridges would be increased from one to three million dollars. He also stated that as an additional safeguard the company would make over to the province common stock amounting to one million dollars. This stock at present consists chiefly of water and has no market value, but the premier appears to be confident that it will some day yield a revenue. The bill also provided for the payment of the claims of subcontractors.

Hon. Mr. Flemming in introducing the bill said the matter was one which had been considerably talked about the Province lately and it might be proper for him to give some little explanation why it was necessary to grant this further aid. It would occur to the House that if the aid granted by the previous Act was generous and deemed sufficient to construct the road, then there must be some substantial reason or change why it had not been, or it would not be necessary to give further aid. Most people assume that the cost of building the road had been greater than it was anticipated it would be but such was not by any means the case. The cost of construction had not exceeded the estimate made by the engineer who surveyed the route for the province in 1909 and 1910. It would be remembered that the cost of the three sections of the road was estimated at the time at \$37,000 per mile, or \$4,365,275 altogether. The Government was not aware at present what the actual cost would be, but they knew enough to make a fair estimate. The total expenditure on the road up to the 30th of November last was \$3,542,175 and estimates have been prepared and submitted to the Provincial Engineer and also the Federal Government's Engineer, and both of these officials were agreed that the estimates were reasonable and sufficient to complete the road.

The company had submitted statements showing the amounts needed to complete the work. These had been revised by Mr. Maxwell and Mr. Taylor, and the sum put down at \$757,080. If this sum is added to the amount already spent to the 30th of November last, it figures out at \$4,299,275 or \$67,000 less than Mr. Maxwell's estimate leaving a net cost of \$36,400 per mile for the three sections.

### FAILED TO FINANCE

If then the road has not cost more than the estimates, it may be said why does the company ask for further assistance. The reason is simply that the company has failed to finance as they expected they would be able to when they entered into the contract for construction in December 1911. The reason they give for this inability is that the unguaranteed securities amounting to \$10,000 per mile left over after the Government's guarantee of \$25,000 per mile, had become unmarketable, and therefore they could not get the money to complete the undertaking.

Time and time again members of the Government had been asked how they came to guarantee the bonds unless they knew what they were doing, and what steps they took to find out if the company's finances, apart from the Government's guarantee, were sufficiently reliable to complete the road. He could tell the House the grounds the Government had for believing the company was able to carry out its obligations.

The Premier then read some letters and telegrams including the following:—

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## BIG SLUMP IN C. P. R. STOCK

New York, April 8—The opening was somewhat more active with prices lower all around. C. P. R. was the weak feature of the list opening down over five points from yesterday's closing figures. Cause of this break in the C. P. R. was the cut in the Western freight rates made by the Canadian Railway Commission. The stock sold down to 199½ and London was a heavy seller. After few transactions at 199½ the stock advanced to 200½, and seemed to hold there quite steady.

The decline in C. P. R. caused the rest of the market to open weak, but after a few minutes trading the entire list, with exception of C. P. R., strengthened up considerably.

(Quotations by J. M. Robinson & Sons, Bankers and Brokers, Fredericton, N.B.)

	Open	Noon
Copper .....	77	77½
Smelters .....	69	69½
C.P.R. ....	202	200
Great Northern .....	125½	125½
Lehigh .....	145	145½
Northern Pacific .....	114½	114½
Pennsylvania .....	110½	110½
Reading .....	165½	166½
Union Pacific .....	159½	159½
U.S. Steel .....	63½	63½

## THE ALABAMA TEACHERS' MEETING

Birmingham, Ala., April 6—The school teachers of Alabama have gathered here in force for the thirty-third annual convention of their state association, the sessions of which will continue through the remainder of the week. College presidents, county and city superintendents and many other educators of prominence are included in the attendance. The program provides for meetings of several affiliated organizations and numerous departmental conferences in addition to the general sessions of the association.

## LAW COMMITTEE OF THE HOUSE STANDS YORK COUNTY BILL OVER

Delegations From City and County Advised to Confer and Endeavor to Reach an Agreement Before Next Session---Mr. Baxter's Suggestion

The Law Committee of the Provincial Legislature yesterday afternoon stood over for a year the York County bill for a readjustment of the system of joint payment of the expenses of Administration of Justice by the City of Fredericton and the county. The two delegations which appeared before the committee were told to confer with one another and try to reach some basis of agreement. Mr. J. B. M. Baxter, M.P.P., of St. John, pointed out that Fredericton and York County were unique in the Province of New Brunswick in regard to their relations to one another. Other towns and cities were under the Municipalities Act and bore a definite relation to one another in the matter of assessment and representation. For the sake of uniformity, Fredericton and York County should be under that act and if they did not consent to go under it themselves the Law Committee might be called upon to compel them.

The request of the Law Committee that the two delegations confer again on the matter, is not expected to produce much result as the subject has been thoroughly discussed and there appears to be no chance of the two parties arriving at a basis of settlement. If the suggestion of Mr. Baxter should be followed Fredericton would pay into the county funds and would be represented by a number of members at the Municipal Council.

### DELEGATIONS APPEAR.

The delegation from the Municipal Council was composed of Coun. Neill of Gibson, Coun. Harry Smith of Nashwaakasis, and Coun. Walker of Marysville, with County Secretary-Treasurer F. St. John Bliss as counsel. The city delegation was composed of Mayor Mitchell, Ald. Reid and Ald. Lemont, with City Solicitor R. B. Hanson. Both legal representatives were provided with voluminous statistics to show their side of the case but the time of the committee was so limited that there was little opportunity of hearing them.

The main features of the county bill were that the cost of coroner's inquests should be borne by city and county according to the place in which bodies are found, that the cost of criminal cases be borne according to the place where the crime was committed, and that the cost of maintenance of jail and court house be borne equally by city and county. Under the existing system the city pays one-third of the cost of the Administration of Justice.

### SECRETARY BLISS.

Secretary Bliss gave a brief historical sketch of assessment laws affecting both city and county.

If city and county were separate the city would have to maintain jail and court house. On that account the county urged that the city be compelled to pay half the cost of the maintenance of jail and court house. In ten years past prisoners confined in jail coming from Fredericton were 11,288, from the County of York 1,749.

### MR. BAXTER'S SUGGESTION.

Mr. Baxter said relations between Fredericton and county were unique and yet the county's proposal did nothing to alter the basis of those relations. Why could not such expenses be allotted to the various parishes according to valuation.

Secretary Bliss said that the task would be too monumental.

Mr. Baxter—"You have your equalizing board of valuers. This is your own system and you went into it yourself. If the task of making a change is too monumental, why don't you leave it alone?"

### MR. HANSON OBJECTS.

To Mr. Baxter's proposal Mr. Hanson objected that the systems of valuation in city and county were not the same.

Mr. Baxter said the equalizing

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## ASSESSMENT FOR YEAR PASSES HUNDRED THOUSAND MARK

The City Assessment was passed finally last night at the regular meeting of the City Council. The total amount is \$101,000 an amount \$21,000 greater than the total of last year. It had been expected that the amount would be \$100,000 but on account of the extra charge of upwards of \$600 per year made on the Municipal Home Department for the support of lunatics at the provincial Hospital, the total was increased by \$1,000. This extra charge is due to legislation passed last year by the provincial government. The appropriation of the fire department was left the same as last year and that for City Government and contingencies was increased by about four hundred dollars. The only appropriations which differ from the list published previously are:

Municipal Home .....	\$3,600.00
Fire .....	6,500.00
Contingencies .....	12,128.96

Ald. Kitchen urged that the assessment be kept to \$100,000 by reducing the contingent appropriation by \$1,000. When a vote was taken however only Ald. Reid supported Ald. Kitchen.

All members of the council were present and the session was not a very lengthy one.

### AUDITOR'S REPORT.

The report of the City Auditor

Water .....	\$1874.38
Roads and streets .....	18.71
Public Works .....	756.42
City Hall .....	124.80
Fire .....	52.32
New Fire Station .....	2314.31
Contingent .....	735.08
Administration of Justice .....	441.66
Street Lighting .....	1269.81

Total.....\$7604.97  
For the Municipal Home Committee the chairman Ald. Lemont reported an over expenditure of fifty cents for the month. On his motion a cheque for \$300 was ordered to be issued in favor of commissioner Niles.

The usual monthly pay and allowances for city officials were voted.

### TAX COLLECTIONS.

For the Finance Committee Ald. Reid reported on tax collections as follows:—

March 1913.....	\$1,222.06
March, 1914 .....	778.69

On the motion of Ald. Osborne the market committee was authorized to sell at Public Auction the fees and tolls arising from the Phoenix Square weigh-scales for the year beginning May 1 on the usual terms at an upset price of \$100.

On the motion of Ald. McKnight,

(Continued on page four.)

Mr. Dugal Asks for an Investigation of Valley Railway Expenditure---Intimates That all of the Money Paid Over by the Government did not go Into the Road---Says That Contractors Paid Tribute to Members of the Government

That money paid by the federal and local governments to the St. John & Quebec Railway Company did not go into the road and that contractors were required to pay tribute to members of the government was the substance of charges made in the legislature on Tuesday by Mr. Dugal. Coming on top of the explosion of the previous day in connection with the timber lands it naturally created quite a furore. Where there is so much smoke there must be some blaze seems to be the general impression on the part of the people.

There is a rumor about the legislature today that the government will practically ignore the charges, pass the Valley Railway bill and prorogue the House. Premier Flemming will then take his "trip abroad" and the Province of New Brunswick will know him no more in politics.

It is believed that the charges in connection with the Valley Railway will be thrown out on a technicality. The attorney general had the matter under consideration last evening and spent some time looking up authorities. He was assisted in the work by Messrs. Tilley, Baxter and Guthrie, M.P.P.'s.

Mr. Dugal's resolution was as follows:

### NOTICE OF MOTION FOR SATURDAY NEXT.

Mr. Speaker:  
I beg leave to give notice that on Saturday next I will move, seconded by Mr. Pelletier, the following motion, namely:

Whereas Louis Auguste Dugal, a member of the Legislative Assembly of this Province for the County of Madawaska, has from his place in the House this day, declared and states that he is credibly informed and believes he can establish by satisfactory evidence:

That the St. John & Quebec Railway Company has already received in actual cash out of the proceeds of the bonds guaranteed by the government of this province the sum of Two Million Seven Hundred and Twenty-eight Thousand, Five Hundred and Seventy-three (\$2,728,573) dollars, and from the Dominion government on account of subsidy the sum of Five Hundred and Forty-three Thousand Dollars, (\$543,000), amounting in the whole to the sum of Three Million, Three Hundred and Twenty-one Thousand, Five Hundred and Seventy-three Dollars, (\$3,321,573);

That the said Railway Company has actually under construction one hundred and seventeen miles of railway between Gagetown and Centreville, and

That the said Railway Company has therefore received about Twenty-eight Thousand (\$28,000) Dollars per mile of railway actually under construction.

That the grading on said one hundred and seventeen miles which is the only problematical item in the cost of construction of a railway is all completed and therefore the actual cost of completion of said one hundred and seventeen miles ready for operation, can be easily obtained.

That it will require Six Hundred Thousand (\$600,000) Dollars additional money to complete said railway between Gagetown and Centreville, and the said Railway Company now owes its various contractors the sum of about two hundred thousand dollars.

That the said railway, when entirely completed as aforesaid, will not cost the sum of \$28,000 per mile.

That the books of the said Railway Company and of Messrs. Kennedy & McDonald, the Hibbard Construction Company and James J. Corbett & Sons, who are the contractors under the said Railway Company, will show the actual cost to date, and James Taylor, inspecting engineer for the Dominion government, can tell exactly what amount will be required to complete ready for operation by the Intercolonial Railway.

That a large amount of said money so paid the St. John & Quebec Rail-

way Company was diverted from its proper channel and has been used for purposes other than the construction of the railway.

That contractors under the said St. John & Quebec Railway were compelled to pay and did pay large sums to members of the government of this province in the year A.D. 1912 before they obtained their contracts as aforesaid.

THEREFORE RESOLVED, That a committee of seven members of this House be nominated by Mr. Speaker to examine into the said charges and to inquire into the actual cost of said railway so under construction to date and the further amount necessary for completion between Gagetown and Centreville, and also to find whether or not any of said moneys have been improperly diverted from the purpose intended and if so the persons to whom paid and what amounts were paid and to what members of the government for the purpose of obtaining contracts as above alleged, and that the said committee have the power to call for papers and documents and to summon and examine witnesses under oath, under the provisions of Chapter 5 of the Consolidated Statutes of New Brunswick, A.D., 1903, and

FURTHER RESOLVED, That said committee do proceed with such investigation until they have fully investigated such charges and report upon the same to this House.

The Gleaner tried to divert public attention from the real issue by attacking F. B. Carvell, M.P., and saying that this is a last and desperate effort to hold up the Valley Railway.

No man has worked harder for the Valley Railway than F. B. Carvell, and in an interview in The Mail he said that the portion of it under construction must be completed, no matter what happens; but he stands firmly for an investigation into the expenditure already made upon the road and to this end Mr. Dugal asked for a committee of investigation, coupled with the grave charge that large amounts of money had been diverted from the legitimate purposes intended and paid by contractors to some members of the government before the contracts were signed in 1912.

(Continued on page four.)

## DOG SHOW OPENS IN MINNEAPOLIS

Minneapolis, Minn., April 8—The largest and most notable exhibition of pedigreed dogs ever held in the Northwest opened in this city today under the auspices of the Minneapolis Kennel Club. An offer of \$2500 in cash prizes has attracted the blue ribbon winners from the recent shows in the East and in Canada. All of the popular breeds are well represented. Judging was commenced soon after the opening today and will be continued until the show closes Saturday night.

## ARGUE FOR NEW TRIAL IN OLEO CASES

Chicago, Ill., April 8—In the federal court today arguments were presented on a motion for a new trial in the cases of John F. Jelke, millionaire oleomargarine manufacturer, and eight of his employees and his associates who were recently found guilty of conspiracy to defraud the government by avoiding the payment of tax for coloring oleomargarine. In case the motion for a new trial is denied and the appeals fail, the convicted men are liable to a sentence of \$10,000 fine or two years in the penitentiary, or both.

L. A. Gould of Presque Isle, is in the City.  
W. Harris Stevens of Windsor is at the Barker House.