

NOTICE TO ADVERTISERS.

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# The Daily Mail

THE WEATHER.

Maritime — Easterly winds and cool, partly fair but a few local showers.

VOL. XX NO. 142

FREDERICTON, N. B., WEDNESDAY, JULY 29 1914

TWO CENTS PER COPY

## Valley Railway Contractor Paid \$2000 to Flemming

Premier of the Province Has Been Connected up With the Valley Railway Charges--Sensational Evidence Given by John Kennedy of Kennedy & McDonald--Says He Placed the Money in Flemming's Hands in His Office at Woodstock--Mr. Carvell Had a Hard Time Getting the Witness to Testify --Mr. C. K. Howard on the Stand

St. John, July 29.—When Hon. J. K. Flemming wanted money he did not always feel that it was beneath his dignity as premier to go out and ask for it.

According to his own evidence he once told W. H. Berry that his usefulness as an official of the crown would be at an end if he accepted money.

Such scruples did not seem to affect his own conduct, however, and when there was no other means of getting it he was quite willing to go after the money himself.

John Kennedy of Kennedy & McDonald, railway contractors, threw a search-light on this phase of the premier's character at the afternoon session of the Dugal inquiry yesterday.

"You ought to help us along with some money," is Mr. Kennedy's version of Hon. Mr. Flemming's winning way when passing the hat.

The appeal was good for \$2,000 in real money which Mr. Kennedy passed over to Mr. Flemming personally the next day. And this was the John Kennedy whose name the Premier found it almost impossible to recall when on the stand a few days ago. Mr. Kennedy's memory was better than the premier's and he was able to tell the story with considerable detail yesterday.

Since he was subpoenaed in June, Mr. Kennedy has kept out of reach of the commission, making a long visit to Nova Scotia after an interview with Mr. Flemming and his brother. He admitted, with a little laugh at his own expense, that he had not returned to give evidence willingly.

The morning session was made interesting by the examination of the profit and loss account of the Construction Company. It was shown that since the new contract was arranged between the Construction and Railway Companies that the cost of construction work had been increased by ten per cent.

This increase is the Construction Company's profit on the work done and is added to the progress estimates and included in the statement submitted to the government upon which the financial aid is based.

Mr. Carvell's analysis of the situation was to the effect that the government is paying for the construction of the railway and are now paying for Mr. Gould about \$400,000 to accept it as a free gift.

"I don't believe that these people put even the price of a postage stamp into this railway," he remarked.

Ralph D. Hoben, accountant for the Construction Company, was the only witness at the morning session, thus completing almost a week on the stand. He completed his evidence, with the exception of some statements which he is to prepare.

Following John Kennedy in the afternoon Charles K. Howard, right-of-way agent for the company, took the stand and was still giving evidence when the court adjourned. He proved an interesting witness with opinions as well as information, and quite as ready to give the one as the other and his testimony threw considerable light upon some of the right-of-way transactions which have been puzzling counsel.

### MR. KENNEDY'S EVIDENCE.

John Kennedy of Kennedy & McDonald, railway contractors, was sworn and examined by Mr. Carvell.

Q.—How long have you been in the contracting business?

A.—Thirteen years with MacDonald, all my life besides.

Q.—You have a contract on the Valley road?

A.—Yes, from Centreville to Woodstock and a contract for ballasting and train-filling in the Hibbard contract.

Q.—When did you take the second contract?

A.—About September, 1913.

Q.—When did you take the first contract?

A.—About May, 1912.

Q.—Who did you arrange with about getting the contract?

A.—Mr. Thompson at Fredericton.

Q.—Did you have any talk with Mr. Flemming?

A.—No, sir.

Q.—Did you have any talk with Mr. Flemming before you got your contract?

A.—I had some talk with him.

Q.—About the contract.

A.—Not that I remember.

Q.—Who is your partner?

A.—Alex. MacDonald.

Q.—Did he talk to Mr. Flemming?

A.—Yes.

Q.—About the contract?

A.—I don't know.

Q.—Was there any talk to you about money?

A.—No.

Q.—Any promise that you would pay money?

A.—Not that I remember.

Mr. Teed objected.

Q.—Did you have any talk with Mr. Flemming about money?

Mr. Teed urged that the question should be limited to something more definite.

Q.—Did you have a talk with Mr. Flemming before you got the second contract in September, 1913?

A.—Yes.

Q.—Tell us about it.

THE PREMIER'S SUGGESTION.

A.—Mr. Flemming came and said: "You ought to help us along with some money." I said I was not doing much but to come along the next day and I would see what I could do.

Q.—Did he not tell you that he would send Mr. Teed over?

A.—I don't remember.

Q.—Did you not tell Mr. Flemming that you would do business with nobody but him?

A.—I may have.

Q.—Did he come again?

A.—Yes, to my office.

Q.—Where was the office, Woodstock?

A.—Yes.

Q.—Was anything said or done?

A.—I told him that was all that I could spare.

Q.—What you could afford to spare?

A.—Yes.

Q.—How much was it?

A.—About \$2,000, I never counted it.

Q.—Now tell us what you did.

A.—I told my bookkeeper to get \$2,000 out of the bank.

Q.—Who is your bookkeeper?

A.—Daniel MacDonald.

Q.—Did he bring back a package?

A.—Yes.

Q.—And told you what he had brought?

A.—He left it in the office.

Q.—Did he tell you what it was?

A.—No, I don't think he did; I went to MacDonald's room and got the package.

Q.—Did you know it contained the money?

A.—I think it was money. (Laughter.)

Q.—Did you tell him to leave it in his room or did he tell you that he had left it there?

A.—I do not know.

Q.—How did you know enough to go into his room?

A.—I knew he always put particular things in his room.

Q.—Was there anything marked on the outside of the package?

A.—I can't tell you. I just took the package.

Q.—Have you ever seen an entry in the books?

A.—I never look at them.

Q.—You told the bookkeeper to get \$2,000; did you give that package to Mr. Flemming?

A.—Yes.

Q.—In his own hands?

A.—Yes.

Q.—Where?

A.—In the office at Woodstock.

Q.—What day was that?

A.—June 13, 1912.

Q.—Was there anybody with Mr. Flemming when he came over and got the money that day?

HOLDING THE HORSE.

A.—I don't remember. I think that there was somebody holding his horse but I don't know who it was.

Q.—Did you ever pay Mr. Flemming any other money?

A.—No, sir.

Q.—Where have you been spending your summer, Mr. Kennedy?

A.—Sometimes in Woodstock and

(Continued on Page Five)

## THE LAYMEN'S MISSIONARY MOVEMENT

Lake Geneva, Wis., July 29.—The fourth summer conference of the Laymen's Missionary Movement opened here today with every indication of eclipsing its predecessors in the size of the attendance and the prominence of the leading participants. The sessions will continue five days and will be participated in by distinguished lay and clerical leaders of numerous denominations.

James M. Speers of New York, is to preside as chairman of the conference, assisted by John T. Stone of Baltimore, and James D. Husted of Denver. Bishop Theodore S. Henderson of Chattanooga, is to preside over the Methodist meeting and men of like prominence in the other communions will preside over their respective denominational groups. J. Campbell White and a number of other evangelists and religious workers of international reputation will be among the speakers.

## STRIKES GOLD POCKET IN "HIS LAST PANFUL"

Baker, Ore., July 28.—Charles Burgess, an aged pioneer prospector, came in from the hills with a pocketful of beautiful nuggets which he took from a claim he has worked for two years. Burgess had at odd times taken considerable gold from the claim, but decided to quit.

"One more panful," he said. In the pan there was one nugget worth \$15 and two more worth \$5 each. He had struck a pocket.

## TENTATIVE PROGRAM FOR DOMINION'S COMMISSION

Number of Prominent Men of Province Will be Before Commission at St. John

The Board of Trade is in receipt of a tentative program prepared for the visit of the Dominion's Royal Commission to St. John, August 11 and 12. The only business session of the Commission to be held in New Brunswick will be at St. John. The Fredericton Board of Trade will be represented but the representatives have not yet been selected.

The program prepared by the St. John Board of Trade shows that a large number of men prominently connected with the natural resources and chief industries of the province will speak before the Commission. The members of the latter are to visit Fredericton after being at St. John and will be entertained during their stay here.

The tentative program for the visit to St. John is as follows: Tuesday, August 11—10.30, Welcome and addresses at Board of Trade room by His Honor the Lieutenant Governor, Acting Premier Hon. George J. Clarke, His Worship Mayor Frink and President of the Board of Trade. Replies from the chairman of the Commission and others.

3 p.m.—Addresses on Forests and Forestry by T. G. Loggie, deputy minister of lands and mines; Angus McLean, Bathurst; J. Fraser Greg.

(Continued on page four.)

## NEW CANAL OPENED TODAY

Formal Opening of New Waterway at Cape Cod, Mass.

A Dream of Two Centuries Has at Last Been Realized—A Safer Route For Sea Craft

Sandwich, Mass., July 29.—The opening of the Cape Cod ship canal today made this a red-letter day for the people "Way Down East," and particularly for the citizens of Sandwich, who combined a celebration of the town's twenty-seventh birthday anniversary with the ceremonies marking the formal opening of the new waterway.

The town was gayly decorated and filled with visitors as never before in its history. The governor of Massachusetts, Assistant Secretary of the Navy Roosevelt and August Belmont, head of the company which built the canal, were among the notables in attendance. Vessels of the United States navy were stationed at either end of the canal and their salutes added to the impressiveness of the program.

The completion of the Cape Cod canal fulfills a dream of two centuries. The earliest settlers in Massachusetts entertained a project for cutting a waterway across the narrow strip of land separating Massachusetts Bay from Buzzards Bay and a century later a recommendation to the same and was made by George Washington. In the middle part of the last century a company was formed to build the canal, but it was not until 1909, when August Belmont became financially interested in the project, that work was actually begun and the enterprise pushed to completion.

The canal shortens distances and provides a safer route for 25,000 sea craft a year which have hitherto had to round Cape Cod. The Cape has always been one of the most dangerous spots on the whole Atlantic coast. Hundreds of disasters have occurred in the vicinity and the hulks of scores of ships may be seen today partially buried in the treacherous sands spreading from Hyannis to Provincetown.

## PAULISTS FATHERS RE-ELECT SUPERIOR

New York, July 29.—Members of the Congregation of Missionary Priests of St. Paul the Apostle, commonly known as the Paulist Fathers, gathered at the home of the order in West Fifty-Ninth Street today to elect a superior-general of the order. The choice resulted unanimously in the re-election of Very Rev. John J. Hughes who has directed the order for the past five years and who is affectionately known among thousands of Catholics and Protestants alike as "Father John."

The Paulist Fathers as the legal title of the order signifies, is essentially a missionary body the members of which hold parish duties only as a subordinate function. It was founded in 1853 by five native American priests, all converts from Protestantism, and has the distinction of being the only religious institute of clerics of American origin in the United States.

## FATHER OF 19 WEDS, THE BRIDE ONLY 18

Clarksville, Tenn., July 28.—Martin E. Hall, seventy-nine years of age and father of nineteen children, and Miss Cora Faughn, eighteen, were married in the court house here by Magistrate J. M. Jarrel.

The couple eloped from Lyon county, Kentucky, Miss Faughn from her parents, and Hall from his children. During the ceremony the bride supported the bridegroom, who walks with the aid of a heavy cane. Hall, trembling from physical infirmities and weak from fear of pursuit by his children frequently urged Judge Jarrel to make haste with the ceremony. The bride declares she dearly loves her husband despite opposition on both sides. Hall is well to do.

## THE WAR SITUATION IS LOOKING SERIOUS

Austria Formally Declares War Against Serbia—Looks as if all the Great European Powers Would Become Involved—England Must Stand by the Triple Alliance and Must Support Russia and France—Home Rule Question Must be Settled

Vienna, July 28.—Austria today declared war against Serbia, official notification was sent to Belgrade for transmission to Serbian government. This action was taken as soon as Austro-Hungarian government was notified that Germany had refused to become party to any conference having for its aim mediation of differences between Serbia and Austria. Military measures and Austria's present course of action as regards Serbia, cannot be interrupted, pending negotiations, looking toward mediation. This was reply of foreign minister, M. Berchtold, today, to suggestion of Sir Edward Grey, that hostilities be suspended while Germany, England, France and Italy arranged for ambassadorial conference. Austria's reply to proposal of British foreign minister was courteous note, thanking him for his efforts, but was nothing less than a diplomatic refusal to accept mediation.

Vienna, July 28.—The declaration of war was gazetted here late this afternoon. The text is as follows:

"Royal government of Serbia not having replied in a satisfactory manner to note remitted to it by Austro-Hungarian minister in Belgrade, July 23, 1914 the imperial and royal government finds itself compelled to proceed itself to safeguard its rights and interests and to have recourse for this purpose to force of arms."

"Austria-Hungary considers itself, therefore, from this moment in a state of war with Serbia."

"Signed COUNT BERCHTOLD,

"Minister of Foreign Affairs

London, July 28.—The Austro-Hungarian government declared war against Serbia today by a manifesto which is one of the briefest of momentous documents in history.

Germany paved the way for this declaration by announcing her rejection of the British scheme to bring four powers together in conference for mediation. Germany explained to the public that her ally could not be expected to submit her acts to an European council, as though she were one of the Balkan states.

This announcement preceded the declaration of war by only two hours, and gave an exhibition of the perfectly harmonious working of the partnership between the two nations, which stood firmly together through the Bosnian crisis of 1909.

The center of interest has shifted sharply to St. Petersburg, which holds the decision whether an European war, which probably would shift the balance of power, if not rearrange the entire map of Europe, is to break out. Negotiations are on foot there between the Russian minister, Sergius Sazonov, and the Austrian ambassador, which are designed to "localize" the conflict.

The nature and progress of these conversations are wrapped in the thickest mystery, but they are the last plank the neutral powers are clinging to, in face of a storm which may wash all under.

There is no doubt in British minds that Austria had fully resolved to utilize the provocation afforded by the Sarajevo murders to wipe the slate clean of all accounts against Serbia, and served an ultimatum on her which was designed to have no result save war.

The next news expected is the occupation of Belgrade, and that even now may be an accomplished fact. Reports of small encounters along the front have been permitted to pass the censor, but military experts here believe that mobilization has already been effected, and that a thoroughly planned campaign is well under way.

There is absolutely no enthusiasm in England for war—no desire for this particular which confronts Great Britain; yet there is a general belief that her obligations to her partners in the Triple Entente, as well as her interests as a great European power will force her to support Russia and France in any steps they may take.

The dark developments of the day were received without excitement, but

with the deepest gloom. The immediate effect of the war crisis is likely to be a compromise on home rule, since all parties feel that domestic dissensions must be settled at all costs, in the face of peril from without. The fierce demands of the Conservative papers for a general election have been wholly hushed. The foreign office has become the most important branch of the government, and no one wants to risk the possibility of losing Sir Edward Grey, with his exceptional influence in the councils of Europe. The government is confronting the situation with perfect calmness. There is no sign of unusual events at the foreign office, except that the prime minister, Mr. Asquith, who seldom visits that office, called there this evening and conferred with Sir Arthur Nicolson, permanent under secretary, and the Austrian ambassador came to make formal announcement of the declaration of war.

The ships of the British fleet everywhere are taking the supplies. Soon after it became definitely known that Austria and Serbia were at war all the officers and sailors ashore at Portland and Weymouth were summoned back to their ships.

## STOCK MARKET HAS A RALLY

New York, July 29.—There were heavy overnight declines all through the list being caused apparently by urgent selling out of stocks where margin requirements sent out yesterday has not been met with. The copper stocks were among the weakest issues on the list, but declines of from two to three points in active issues like Union Pacific and Reading were quite common while Steel lost almost as much. C. P. R. on the other hand which suffered more than any other stock yesterday opened comparatively firm around last night's close. There was good support at the low level rendered throughout the list and before the end of the first hour a bitter tone showed itself. In the second hour prices rallied sharply all of the early losses being made up and in many instances stock sold well above last night's closing.

TWO MORE FOR COMPANIES

William Y. Crockett, Russell E. Embree, William M. Spence, Thomas J. Freeman and Alfred R. Moore have applied for incorporation as "Gaspe-reau, Silver-Black Foxes, Limited" with head office at Port Elgin, N. B., and a capital stock of \$99,000. Herbert R. Curtes, Charles H. Mitton, Job Frenholm, David Taylor, Ruth J. Taylor and Maunsell are applying for incorporation as the "Timber River Silver-Black Foxes Company, Limited with a capital stock of \$99,000 and head office at Port Elgin, N.B.

POLICE CLURT.

One drunk failed to appear when called in the police court this morning and forfeited a deposit of five dollars.

MAY FINISH REPAIRS TOMORROW

It is expected that repairs on the I.R.C. bridge across the Nashwaak, above Marysville, will be effected so as to permit of the free running of trains over the structure tomorrow. At noon today the express train was brought to the city by the engine of the express stayed north of the bridge after sending the cars across with a running push. A car of fish from the North Shore was sent over the bridge last night in the same way, the structure being able to bear the weight of cars but not of an engine. It is expected that it will be some months before the new bridge there is completed.