

NOTICE TO ADVERTISERS.
In order to ensure changes being made in advertisements copy must reach this office not later than nine a.m. on the day of publication.

The Daily Mail

THE WEATHER.
Maritime — Moderate winds, becoming westerly, clearing and milder.

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FREDERICTON, N. B. WEDNESDAY, APRIL 7 1915

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RUSSIA SENDING REINFORCEMENTS TO THE CARPATHIANS; VIOLENT FIGHTING IS REPORTED IN THE YSER DISTRICT

MR. CARTER'S CHARGE PROVED TO THE HILT

Commissioner Chandler Investigates "Irregular" Payment of \$2,900 to Mr. W. H. Berry by the Dalhousie Lumber Company--Money Did Not Reach the Provincial Treasury--Mr. Berry Testified That He Acted Under Orders From J. K. Flemming.

Ex-Supt. of Scales Willard H. Berry of timber limits bonus fame; Mr. Brankley of the Miramichi, the man who held the "bag" and J. K. Flemming, once premier of New Brunswick, were the chief characters in that farce known as the "Switching of the Dalhousie stumpage payment," as disclosed in the evidence given before Royal Commissioner Chandler Tuesday afternoon.

It was the day after the Legislature opened that Liberal Organizer E. S. Carter asked Mr. Chandler to investigate the payment of \$2,903.32 by the Dalhousie Lumber Company as part of their stumpage account under the direction of Superintendent of Scales W. H. Berry, which sum of \$2,903.32 did not appear in the public accounts of this province.

That transaction took place in 1912—that election year now so memorable for so many other payments from contractors and others—and according to the evidence of Brankley, the manager of the Miramichi Lumber Company, he and J. K. Flemming and W. H. Berry met in Fredericton some time between June and August, he could not fix the date, and arranged and agreed that an old claim of the Miramichi Lumber Company, which Hon. Mr. Grimmer, when he was surveyor-general would not agree to, be settled by paying \$5,000 to Mr. Brankley for the company.

It was a settlement made by the man who was then not only premier but minister of lands and mines, James K. Flemming, and his chief scaler, W. H. Berry and Mr. Brankley, the representative in New Brunswick of that concern, the International Paper Company of New York.

But it was not to be a settlement above board. The deputy minister of lands and mines, that man of integrity, Col. Loggie swore he was not a party to the arrangement, that Mr. Berry made all the arrangements; that, in fact, he was ignorant of the \$2,903 payment, and that the check or the money never reached the department.

CHARGE PROVEN

The testimony proved Mr. Carter's contention to the hilt.

Berry swore that he was directed to do as he did by Flemming the minister. He had no written instructions; they were only verbal.

It was proved that the amount was handed Brankley, that he gave his personal receipt for the amount, that the check was not made payable to the Miramichi Lumber Company but to Mr. Brankley personally. He brought no account books to the court, simply vouchers, most of them typewritten. He told the old story, "the books of the company were in New York."

It transpired that in addition to the \$2,903.32 payment, there was a refund of \$2,096.68 made to the Miramichi Company through the department. Colonel Loggie says this was made in 1912 by crediting the amount as having been overpaid in 1910-11. These refunds were common, and had been made frequently by Surveyors-General Flemming, Tweedie, Dunn and Swetney, but he did not believe in the practice.

Hon. Mr. Baxter, who said he was present on behalf of the government to see that the facts were brought out, was as full of objections as usual and protested against any cross-examination of the witnesses by E. S. Carter or Mr. Vesiot.

The commissioner agreed with Mr. Baxter, and while giving some latitude, his decision materially affected the scope and breadth of the inquiry.

W. H. BERRY

When the inquiry opened at 2.30, W. H. Berry, was the first witness, and told his story ably, with the assistance of typewritten manuscript. When asked to explain the check for \$2,903.32 given by the Dalhousie Lumber Company, he said it was made payable to Mr. Brankley to reimburse the Miramichi Lumber Company for a rebate allowed them by the department. The rebate, totalled \$5,000 made up by \$2,096.68 and \$2,903.32, the former a previous allowance.

To Mr. Carter—The previous allowance was Sept. 7, 1912. Mr. Carter—Mr. Commissioner, that would not be a previous allowance.

Attorney-general—The department's books show the date to be August 7. Mr. Berry—In the season of 1910 and 1911 the Miramichi Company violated the regulations by cutting undersized lumber. The logs had been hauled to the stream before the matter was called to my attention. I penalized the company to the amount of \$10,194. That was a double stumpage charge in accordance with departmental regulations.

July 1 Mr. Rundle paid \$10,000 under protest. He afterward took up the matter, claiming it was an old charge. Mr. Rundle was scaling under the "card system." I asked that the cards be produced and a friendly settlement could be reached. Mr. Rundle refused and in fact would not meet us half way. H. A. Powell at that time took up the matter. I met him at Doaktown to go over the books, but he could not get the books. The reports of my scalers and the company's scalers absolutely agreed in the matter of undersized logs. Mr. Freeze, the company's scaler, however, claimed a proper allowance for growth, also that a stump twelve inches through would make a merchantable log. On this the department allowed \$2,096 to the company. The scaling of logs in the jams was carried and an agreement reached in regard to undersized logs, but the number did not come up to my estimate. Mr. Freeze claimed that the logs at the bottom of the jams would be larger than those on top. I agreed with him, and the department allowed the balance of \$5,000 rebate. Mr. Flemming said we had failed to charge the Dalhousie Lumber Company \$3,537.96 for pulp scale. They had paid their regular stumpage and we ordered new bills issued. I commented upon the fact that the Dalhousie Lumber Company owed the department about that amount. There was a discrepancy between the amounts \$3,537.96 owed by the Dalhousie Lumber Company and \$2,903.32 due the Miramichi Lumber Company as a rebate which is explained in a letter now in the possession of Col. Loggie, the deputy surveyor-general.

The letter was produced. It was dated July 13, 1912. In it the company objected to a charge on pine as pulpwood.

Mr. Berry—"I did allow for a charge on pine as pulpwood amounting to \$634.64, which makes up the discrepancy. In way of settlement I instructed that a cross check be issued."

(Continued on page four)

London, April 7—It is reported that violent fighting has taken place during the last Twenty-four hours in Yser district. At Dixmude yesterday there was a terrific bombardment but the result is unknown.

Bologne, April 7—A German taub dropped bombs on Neukick church near Ypres on Sunday while a service was being held. Abbe Reynaert, preaching at the time, was badly injured and died later. Twelve women were killed and many injured.

GERMAN MERCHANT SHIP SUNK

(SPECIAL CABLE TO THE MAIL.)

Copenhagen, April 7—It was announced today that the German merchant ship Caroline Pemsoth was sunk in the Baltic by a mine or Russian submarine.

Petrograd, April 7—The Russian admiralty in review of operations since December 12 announce six Turkish warships and one big transport sunk and two cruisers badly damaged in the Black Sea operations.

Paris, April 7—An official statement reports successes in vicinity of Etain on the Yser and Eparges.

London, April 7—A. J. Rorke, the central news correspondent, has resigned his position and enlisted in English Royal Fusiliers.

LATEST FROM THE CARPATHIANS

(SPECIAL CABLE OF THE MAIL.)

London, April 7—Attention is concentrated on the Carpathian Passes where heavy reinforcements are being brought up by the Russians to push the attack. Commanders assert that the German forces are making strenuous efforts to strengthen their forces. Petrograd reports that the Austrians have retired seven miles in the Ushok Pass region and Vienna claims they have taken several Russian positions near Lupkow Pass together with seven thousand prisoners.

THE EITEL IN PORT

Newport News, Va., April 7—The German cruiser Prince Eitel Frederics is still in port here and it is believed will intern as her time limit expires today. Several British warships are said to be lying in wait for her outside the harbor.

FRENCH ON THE OFFENSIVE

London, April 7—Although the French are conducting a sustained and somewhat formidable offensive between the Meuse and the Moselle in an effort to dislodge the Germans from St Mihiel, the southernmost point of their line, the demeanor of the allied armies as a whole indicates a disposition to await the outcome of Russia's gigantic plan to force the Carpathian barrier.

Germany is thought to be pouring troops into Hungary, even to the extent of weakening her forces in Flanders and tonight's Austrian official communication notes the presence, and recounts the success of German and Austrian troops in Laborca Valley.

CAPT. FRED H. MERSERIAU PROMOTED IN 12th BATTN.

Letters from Shorncliffe from members of the 12th Battalion state that Capt. Fred H. Mersereau of Doaktown has been appointed major in that battalion to succeed Major P. A. Guthrie who was transferred to the 7th British Columbia Battalion now in France. Major Mersereau is a brother-in-law of Lt.-Col. H. F. McLeod, officer commanding the 12th Battalion and previous to joining the Canadian Expeditionary Force was a captain in the 73rd Northumberland Regt.

According to advices received in St. John Major C. J. Mersereau, brother of the officer mentioned in the total (Continued on page four)

PERSONAL

H. L. Bray of Boston, is at the Barker House.

J. C. Berrie of Woodstock, is in the city.

J. W. Richardson and John McGibbon of St. Stephen, are at the Barker House.

J. T. Power of St. John, is in the city.

James C. Sugrue of St. John, arrived in the city last night.

Dr. Townsend of River Glade, is at the Queen.

Mrs. H. A. Powell, of St. John, is a guest at the Queen.

D. J. Buckley of Newcastle, arrived in the city today. He is at the Queen.

G. S. Brown of Hamilton, Ont., is a guest at the Queen.

J. W. Miller of Newcastle, is in the city.