

# The Daily Herald.

VOL. XIII.

FREDERICTON, N. B., FRIDAY, APRIL 24, 1908.

NO. 95

## SATURDAY NEXT

We will offer a beautiful line of

Ladies' Black Roman Sateen  
Underskirts at 95c each

REGULAR PRICE \$1.50

WE WILL ALSO CLEAR OUT SIX ONLY

Colored Moirette Skirts at the  
same price

E. A. O'BRIEN & Co

'KLENZO'

The Great Dirt Remover

The best HAND SOAP known Used by everybody whose  
work soils the hands.

15 Cent A Box

Money back if not satisfactory.

GEO. Y. DIBBLEE

PEOPLES' DRUGGIST.

OPP. CITY HALL

Chestnut  
says

"The modern and up-to-date method for the  
preservation and care of fur garments, and all  
kinds of wearing apparel is to use

Bell's Pure Fibre Moth Bags

Six sizes. Prices from 25c to 75c. A wire hanger  
with each bag."

"THE QUALITY STORE."

572 QUEEN STREET

BACK AND SIDE COMBS

Plain and Fancy, Gold and Stone Set Mountings  
A very large and fine assortment. Prices from  
\$1.00 to \$6.00. At

F. E. Blackmer

OPPOSITE NORMAL SCHOOL

## SPRING MILLINERY OPENING

You are invited to visit our parlors and inspect our stock.  
We have the latest designs in Millinery, trimmed and un-  
trimmed hats. Also the latest trimmings including ribbon  
flowers, Silks, Feathers, &c.

Miss M. E. Flanagan

COULTHARD BUILDING - - CARLETON STREET

## HANDSOMELY TREATED.

Lawyers Dined W. H. Trueman and Liberals Made Him  
a Handsome Present on His Departure for Win-  
nipeg.

ST. JOHN, April 24.—(Special)—H. A. McKeown, and Mr. Trueman  
In the Keith assembly rooms, this  
forenoon, Walter H. Trueman, the  
prominent barrister who leaves today  
for Winnipeg, was presented by his  
friends of the Liberal party, with a  
magnificent cabinet of table silver  
and an address, regretting his de-  
parture, and expressing the good  
wishes of friends for his future suc-  
cess.  
The presentation was made by Hon

## ST. JOHN EXHIBITION

R. H. Arnold to be Manager This Year—After Domi-  
nion Grant for 1909.

ST. JOHN, April 24.—(Special)—  
At a meeting of the directors of the ex-  
hibition association last evening, R.  
H. Arnold of Sussex, was appointed  
manager of the St. John exhibition  
this year.  
Mr. Arnold was manager of the  
Sussex exhibition last year and is a  
good all round man.

The directors also considered ap-  
plying for the Dominion fifty thou-  
sand grant for the fair in 1909.  
Some discussion arose over the  
possibility of securing larger grounds,  
and a location in Lancaster may be  
favored if the provincial government  
will soon undertake the construction  
of a new bridge over the falls.

## ANNA GOULD'S PRINCE.

Prospective Bridegroom Gave Madame Hkarty Recep-  
tion at Naples—Will be Married Soon

NAPLES, April 24.—(Special)—  
Madame Anna Gould, arrived today  
from New York, and was met by  
Prince Helie De Sagan. The steamer  
came into the harbor at six o'clock  
this morning and the Prince was one  
of the first men to get on board.  
He rushed to Madame Gould's cabin,  
met her at the door, lifted his hat  
and kissed her hand.  
The Prince was much annoyed by  
the presence of reporters and he re-  
fused to be interviewed.  
The father of Madame Gould's chil-  
dren, however, said: "Rest assured  
that the marriage will occur, but  
nobody can say when or where."

## FREDERICTON'S GOOD CASE.

Chairman of Railway Commission Evidently Believes  
Railways are Discriminating Against this City.

OTTAWA, April 24.—The hearing  
before the Board of Railway Com-  
missioners of the Fredericton Board  
of Trade's application for an order  
to compel the C. P. R. and Grand  
Trunk to cease discriminating  
against Fredericton in rates on  
freight originating west of Montreal,  
and claiming that a more favorable  
rate is given to St. John, began  
yesterday.

Traffic Manager Tiffin of the In-  
tercolonial gave evidence that in his  
opinion the arbitrary difference  
against Fredericton in the rate was  
unjust and its continuation would in-  
jure Fredericton as a distributing  
point. From the beginning he had  
protested against the discrimination.  
He also read a letter from Traffic  
Manager MacLeod of the Grand  
Trunk, in which the opinion was ex-  
pressed that the differentiation was  
unfair to Fredericton.

To the C. P. R. contention that  
the rates to St. John, St. Stephen,  
St. Andrews and Moncton were fixed  
by water competition via New York,  
Boston, and Portland, Mr. Tiffin said  
the Maritime Province got no  
freight via Boston or Portland.  
O. S. Crockett pointed out that ex-  
cept for flour and grain the Canadian  
customs regulation prohibited the  
carrying of freight to St. John  
from American ports on American  
bottoms, and Mr. Tiffin said there  
were no Canadian vessels in this  
trade, and the railways made no  
discrimination on grain and flour  
rates to St. John and Fredericton.  
This upset the water competition  
argument.

Dr. Daniel, M. P., read a letter  
from the St. John Board of Trade,  
asking an opportunity to present ar-

guments in favor of the existing di-  
fferentiation in rates and against Fre-  
dericton's application on the ground  
that St. John as a seaport was en-  
titled to lower rates.

Chairman Mabey said that Frede-  
ricton seemed to have made out a  
case which was worthy of considera-  
tion. St. John could be heard if it  
desired, but the railway companies,  
he thought, could be trusted to urge  
all possible objections against the  
petition of Fredericton.

Traffic Officer Melness, of the C. P.  
R., admitted that at the present  
time no western Canadian freight  
was taken to St. John from New  
York or Boston, which was due to the  
lower rates which Canadian rail-  
roads gave to St. John. This low  
rate which was being attacked had  
stopped this water-borne traffic.  
Other points on the C. P. R. New  
Brunswick line north of McAdam had  
always paid a higher freight rate  
than to St. John, and the 1904 rate  
only made Fredericton equal to  
them. He admitted on cross-examina-  
tion that all these other points were  
non-competitive points, while Frede-  
ricton was a comparative railway  
point. The competition at Frederic-  
ton he was of opinion did not entitle  
it to better treatment. On business  
from Montreal, Fredericton had the  
same rate that St. John had, but  
it did not have as good rates on  
freight coming from west of Mont-  
real. The Intercolonial competition  
had forced the C. P. R. to give Frede-  
ricton equal treatment on the Mont-  
real rate.

Mr. Chrysler, K. C., was heard for  
the C. P. R., and Mr. Collan, K. C.,  
for the Grand Trunk. The case for  
Fredericton will be argued today by  
Mr. Crockett.

## BOOMING THE BOARD

ST. JOHN, April 24.—(Special)—  
The St. John Board of Trade has

appointed an active committee, and  
an energetic campaign will be started  
with the object of bringing the  
membership of the board up to five  
hundred within a year.

## SHOE FACTORY MORTGAGE.

Conference Between Directors and City Council Last  
Evening

The city council met representa-  
tives of the Hartt Boot and Shoe  
Company in committee last evening  
and discussed the proposal made by  
the company a few weeks ago that  
the city should cancel the mortgage  
of \$10,000 on the company's prop-  
erty. The directors offered on behalf  
of the company to give a guarantee  
that the amount of the city loan  
would be repaid in case the business  
should be removed to some other  
place. The council after discussing  
the matter appointed a committee  
composed of the mayor and three  
aldermen to meet with the directors  
and ascertain just what steps they  
are willing to take to secure the city  
in case the city decided to cancel the  
mortgage.

The mayor and all the members of  
the council except Ald. Everett were  
present at the meeting and the shoe  
company was represented by Messrs.  
John Kilburn, John Palmer, John A.  
Reid, Edward Moore and B. C. Fos-  
ter.

There was an informal discussion  
lasting more than an hour, during  
which the whole matter was thor-  
oughly gone into. The directors very  
frankly explained the position of the  
company and gave the committee an  
understanding that their sole object in  
applying for the discharge of the  
mortgage was to encourage people  
to take more stock, and thus increase  
the business of the company. They  
stated that the company had already  
paid out \$400,000 in wages, and the  
\$10,000 bonus given by the city only  
represented two and one half per cent  
on that amount. It was certain that  
the city had lost nothing by assist-  
ing to establish the factory.

Mr. Palmer, in reply to Ald. Hoop-  
er, said that the company had asked  
the city for a bonus of \$10,000 in the  
first place.  
Mr. Reid said that if the stock-  
holders had gone to a shoe centre  
they could have established a factory  
with less capital.

### HAD LOST MONEY.

Mr. Palmer said that if it had not  
been for the action of the directors  
four years ago in putting their hands  
in their pockets the city would have  
had no shoe factory today. The com-  
pany had lost \$25,000 in the first  
few years and the directors had to  
finance for that amount. He did not  
think that the company were asking  
too much from the city when they  
asked that the mortgage be cancell-  
ed.

Ald. Clark wanted to know how  
the cancellation of the mortgage  
would affect the company's earnings.  
Mr. Reid replied that it would not  
affect the earnings but would enable  
the company to declare a dividend.  
The \$10,000 might be called a special  
reserve fund, and made a liability on  
the company. They could give a  
guarantee to pay it back in case they  
should remove from the city.

Ald. Clarke remarked that the com-  
pany's output had not yet reached to  
figures promised when the mortgage  
was granted.  
Mr. Palmer replied that Mr. Hartt,  
the promoter of the factory, was a  
man of large ideas, and wanted to  
have the output set down at one  
million dollars. The amount had finally  
been fixed at \$400,000.

Ald. Winslow thought that the  
council should make every effort to  
retain the shoe factory. He was  
heavily interested through clients  
and would not like to see it go  
away. He thought if the council  
could assist the company without  
sacrificing the city's interests it  
should be done. Perhaps the direc-  
tors might be willing to give a guar-  
antee to stay at least ten years.

Mr. Palmer thought it would be  
unfair to ask the directors to give  
a personal guarantee, as they were  
only appointed from year to year.  
The company, however, would be  
willing to give a guarantee that if  
they moved away they would pay  
back the \$10,000.

Ald. Winslow thought the company  
should be asked not to incur liabili-  
ties over a certain amount, so that  
the city would have some leeway  
should it cancel the mortgage and  
come in as an ordinary creditor. He  
would be willing to cancel the mort-  
gage providing the company would  
give a sufficient guarantee.

Ald. Kitchen suggested that the  
company might give a guarantee  
company's bond to pay the \$10,000  
in case the mortgage was cancelled,  
but it was pointed out that guaran-  
tee companies did not issue bonds of  
that kind.

### CITY CLERK'S OPINION.

The city clerk being asked for his  
opinion said that the company could  
give the city a guarantee that would  
be all right providing the company  
did not become insolvent. There was  
no risk now of insolvency. In three  
years the outstanding debt had been  
reduced by \$55,000, there is a good  
field and the goods are selling well.  
He felt that the city could get a  
legal undertaking to bind the com-  
pany. A personal guarantee would  
not be fair to the directors as they  
might be changed. The company  
were willing that the city should con-  
sult any good legal authority and  
reach an agreement.

Ald. Winslow wanted to know if  
the members of the council were will-  
ing to accept a guarantee from the  
company and vary the security.

Ald. Farrell said that he would  
prefer to see the guarantee before ex-  
pressing an opinion.  
Ald. Winslow—the point is if the  
company should be willing to give  
a sufficient guarantee will the council  
accept it.

Ald. Farrell was willing to go as  
far as any member of the board to  
assist the company, but the council  
should look into the matter very  
carefully before coming to a deci-  
sion.

Mr. Palmer said that the company  
were willing to give the members of  
the council any information in their  
possession.

Ald. Walker thought the company  
had made a very fair proposition so  
far as they had gone. The city might  
employ counsel and see what guaran-  
tee the company is willing to give.

Ald. Winslow explained that bonds  
issued by the company would become  
a first charge upon their property. If  
the city cancelled the mortgage and  
accepted a guarantee it would come  
in as an ordinary creditor in case  
the concern became insolvent.

Ald. Hooper thought the directors  
should submit a form of guarantee to  
the council.

Mr. Palmer—Let the council employ  
a lawyer and draw it up to suit  
themselves.

Ald. Hooper said that the city did  
not want the money, but did want  
the factory to continue in operation.  
Mr. Reid said that the company  
wanted the mortgage discharged, so  
that they could issue bonds and wipe  
out the debt. They had paid off \$15,-  
000 and still owed \$30,000.

The mayor said that the object of  
the company was to change the city's  
claim from a preferred to an ordinary  
claim.

Mr. Moore said that he was very  
anxious to see the company continue  
in business here and make money. If  
there is a nigger in the woodpile any-  
where he had not seen him. Mr. Pal-  
mer had given the affairs of the  
company a great deal of attention,  
and had received nothing for his ser-  
vices. He (Moore) had gone into the  
enterprise solely because he wanted  
to render some service to the com-  
munity. If the mortgage is wiped  
out the company will give a sufficient  
guarantee to protect the city's inter-  
ests.

Ald. Clarke said that the shoe fac-  
tory was a splendid industry, and he  
wanted to see it remain in the city.

Mr. Reid thought if the factory  
once was put on a good paying basis,  
other factories would be established  
here, and Fredericton would become  
a shoe centre.

Mr. Kilburn said that it had been  
represented by Mr. Hartt that the  
factory could be built and equipped  
for \$40,000, but it had cost them  
\$60,000. They had losses at the start  
and but for three of the directors  
there would be no factory today. If  
the city cancelled the mortgage un-  
conditionally it would lose nothing.  
The company wanted more capital  
so that they could increase their out-  
put and declare a dividend. The  
larger the output the greater profit  
there would be for the stockholders.  
They have the equipment and can  
easily double the output. He had  
one hundred shares in the concern and  
if the city did not see fit to help the  
company out he was willing that it  
should go to the wall.

The mayor thanked the delegation  
for the information given and prom-  
ised that the council would give the  
matter careful consideration. The  
delegation then withdrew.

Ald. Winslow moved, seconded by  
Ald. Kitchen, that a committee of  
three aldermen, and the mayor be  
appointed to confer with the direc-  
tors of the company and prepare a  
form of guarantee to be submitted to  
the council.

The motion was carried after a  
brief discussion and the mayor ap-  
pointed Aids. Winslow, Hooper and  
Kitchen as the committee.

The mayor thought the council  
should decide whether or not they  
would be willing to vary the city's  
security on the company's property.

After some discussion Ald. Wins-  
low moved a resolution to the effect  
that the city give a release of the  
mortgage on the company's furnish-  
ing a sufficient guarantee that the  
city's interests should be safeguard-  
ed.

As Aids. Farrell, Walker and  
Hooper seemed a little chary of the  
resolution, and it seemed unlikely to  
carry, Ald. Winslow finally withdrew  
it.

It was agreed that the committee  
should first consult the directors and  
find out just what guarantee they  
are willing to give, and employ a  
solicitor if necessary.

"Say," said Farmer Cornstossel,  
"I'd better hurry an' get those cir-  
culars of mine, advertising this place  
free from mosquitoes, in the mails.  
I don't want to lie, but if they don't  
get mailed soon the mosquitoes will  
be here."—Detroit Free Press.