

### Last Week's Review of T. & N. O. Enquiry

Use of Private Cars Questioned. References to Wage Cuts and Salary Matters, etc., in Investigation.

As noted in The Advance last week the enquiry into T. & N. O. affairs ordered by Premier Hepburn commenced on Tuesday last and has covered a lot of ground since without much of new matter of importance being brought out. The enquiry is under the direction of Armand Racine, lawyer, of Windsor. The following is a summary of the proceedings last week:

**About Private Cars**  
 Efforts were made last week to trace the varied movements of the "Whitney," a private car reserved for members of the Ontario Government.

From David Hamilton, company auditor, Mr. Racine learned members of the former government headed by Premier George S. Henry, had used the car extensively, but was advised by the auditor and W. H. Maund, secretary of the government-owned railway, no accurate record of the car movements could be located.

After listening to evidence of the two men, Commissioner Racine remarked that the records were somewhat vague in some respects of responsibility for costs of transporting government ministers and their guests to various points as distant as Vancouver.

The auditor said the "Whitney" was stocked with provisions by the railway and cost of meals and other expenses were charged to individual ministers using the car. He said, however, there was "nothing in the accounts" to indicate if these costs had been paid.

**Hard to Determine Amount**  
 Examining records of the company, Mr. Racine said it would involve a "terrible amount of work" to determine the exact amount of money "evidently expended from 1929 until 1934 by cabinet ministers and T. and N. O. officials in travelling on the Whitney," one of three private cars reserved for government and railway executives.

There was no accurate record of maintenance cost of the Whitney, Hamilton said, but he produced a statement showing \$26,723 had been expended in 1933 for repairs to the car.

Under the examination, Maund admitted he had made several "personal" trips on the Whitney, including one to Niagara Falls and another to Kingston. Further commenting on evidence, Mr. Racine said the auditor's records failed to show "what use was made of the Whitney after it left North Bay. His only record is from commissary statements." Some of these statements, he added, failed to give the year or month in which expenses were incurred.

Former Premier Henry and his former ministers, principally Hon. William Finlayson, minister of lands and forests; Hon. Charles McCrea, minister of mines; Hon. George H. Challies and others were credited with using the car for various excursions with guests.

**Bonded Indebtedness Placed at \$43,000,000**

The total bonded indebtedness of the Temiskaming and Northern Ontario Railway to the Ontario Government was placed at \$43,000,000 by Harry W. Steele, accountant for the commission appointed by Premier Mitchell F. Hepburn to inquire into operation of the railway.

Mr. Steele, on questioning from Armand Racine, Windsor barrister conducting the probe, said the annual statements of the railway were misleading and charged a person does not obtain a "true" picture of the road's finances from the statements.

Evidence concerning the financial status of the road took up most of Wednesday's hearing and Mr. Steele, David Hamilton, company auditor, and W. H. Maund, company secretary, were the chief witnesses.

Total accumulated deficits from 1915 were \$7,766,453, according to a report submitted by Mr. Steele who claimed it was a true statement of the road's annual surpluses or deficits since that year. Mr. Steele testified the commission owes \$8,181,839 in interest to the Ontario Government as of Oct. 31, 1933.

**Interest Causes Deficit**  
 According to Mr. Steele's report, the railway's books showed a deficit of \$18,023 in 1933 but after "adjustment for interest" the deficit was \$1,176,340.

The company's books showed a surplus in 1932 of \$66,541, but Mr. Steele changed this into a deficit of \$742,476. The deficit of \$7,766,543 accrued annually as the railway ignored interest payments on the original \$30,000,000 loan to the railway from the Ontario Government, witnesses said.

"We knew nothing about the interest charges," said Mr. Hamilton, the auditor, while testifying of the \$30,000,000 loan. "We have not got it charged in our books," he added.

Mr. Hamilton admitted interest charges should be shown in the railway's annual financial statement and financial sheet in order to set up a "true statement." Witness would not say the statement was misleading to government and public because "everybody here knew the interest had not been included in the report."

The balance sheet "would be changed completely" if the interest was charged, he said, and added "there is no question but that an income deficit would be created if we assessed the interest."

According to the T. and N. O. Railway Act of 1902, a sinking fund should have been set to discharge at maturity the \$6,000,000 debentures issued by the road and guaranteed by the government. Auditor Hamilton said he had seen the act, "from time to time," but was positive no sinking fund had been created.

Mr. Hamilton agreed with Commissioner Racine that a sinking fund would decrease further the supposed

annual surpluses shown by the railway's books.

**Special Allowances to Chairman**  
 Secretary W. H. Maund of the Temiskaming and Northern Ontario Railway on Thursday testified at the inquiry into operations of the road there was nothing in the minutes of the railway commission authorizing payment of the "special allowances" to George W. Lee, commission chairman.

Mr. Lee, it was testified, was paid \$2,500 annually from 1927 to 1929 and \$3,500 annually from 1929 until 1934 for "entertainment."

He explained evidence given the previous day by David Hamilton, company auditor, that the T. and N. O. had not set up a sinking fund for retirement of debentures, was incorrect. The secretary explained the revised act of 1927 gave the railway commission authority to provide a sinking fund "when required" for retirement of the \$6,000,000 debentures issued in 1928 and guaranteed by the province.

The entertainment account, the secretary continued, was inaugurated on instructions of Hon. G. Howard Ferguson and George S. Henry, former Ontario premiers. Chairman Lee, he added, gave him orders to advance these sums. He considered the expenditures properly authorized.

H. W. Steele of Ottawa, commission's investigating auditor, was questioned regarding salary reductions which a certain number of employees received, officials being exempt. He declared all officials and employees of the Canadian National and Canadian Pacific Railways had their wages cut 10 per cent.

Efforts of Commissioner Armand Racine to obtain the mileage made by the private car Temagami failed as Auditor David Hamilton testified he could obtain the mileage on the T. and N. O. lines but not on foreign roads. The commissioner asked for a full report on the car's movements in 1932 and 1933. He intended, he emphasized, to obtain the exact operating costs of the private cars.

Mr. Hamilton was questioned regarding the "entertainment allowances" and he said in this regard he had taken orders from Secretary Maund, but Mr. Steele interjected with the remark the chief accountant of the railway should "satisfy himself as to the legality of payments and should not authorize them only on the word of another official."

**Cost of Dinner Dance**  
 The cost of a dinner dance at North Bay in honour of former Premier Henry and party on Oct. 19th, 1931, was borne by the T. and N. O.

David Hamilton, company auditor under examination of Armand Racine, Windsor barrister conducting the probe, said the T. and N. O. paid expenses for the evening.

Harry W. Steele of Ottawa, special government auditor, during a report on the Nipissing Central Railway, a subsidiary of the T. and N. O., submitted to the inquiry that the N.C.R. deficit should have been deducted from the surplus shown on the T. and N. O. balance sheet.

The T. and N. O. balance sheet is not a "true" balance sheet as it does not include the N.C.R., Mr. Steele declared and charged the road's statement was misleading.

Armed with the T. and N. O. "special account book," Commissioner Racine questioned Auditor Hamilton in connection with the cost of the "Henry dinner dance."

Witnesses said the affair was staged in the Masonic hall, George W. Lee, chairman of the T. and N. O. commission, and Mrs. Lee were the official hosts, and approximately 300 North Bay citizens attended.

Auditor Hamilton testified \$312.50 was paid to the North Bay Baptist Ladies' Aid Society for catering at the dinner by the railway. He verified an item in the "special accounts books" of \$35 paid to the North Bay Masonic Temple, Ltd., for rent of its hall.

Mr. Racine pointed out another item of \$38 for Jack Craggan's orchestra which, witness explained, furnished the music the night of the banquet and dance. This also was paid by the commission, Mr. Hamilton said.

The commission also paid \$3 to Mrs. M. Stewart who served as cloakroom

### "Schoolboy" Rowe



**"SCHOOLBOY" ROWE**  
 Sensational young right hand pitcher of the Detroit Tigers. When the 1934 season opened, Rowe had a lame arm, but he soon recovered and his great pitching has been responsible for Detroit being able to battle New York for first place. On August 1, "Schoolboy" had won fourteen and lost but four games. He won two of his own games with home runs, and up to August 1st had an unbroken string of ten consecutive victories.

### They Are Also Having a Time at Rouyn Council

The last meeting of the Rouyn town council is reported as being late in starting and nearly midnight before it was concluded, with no business of any special importance dealt with. One of the highlights of the meeting was the reading of a writ issued against the town of Rouyn on behalf of A. Mageau, former town foreman at Rouyn, claiming \$570.00 for salary and alleged wrongful dismissal. The mayor was given authority to defend the action if it was found advisable to do so. Former Chief of Police D. D. Lapointe also served formal notice on the town of Rouyn that he is holding the town liable for salary, rent, heat and electricity from the time of his dismissal by council until the expiration of his contract on Nov. 1st next, this without prejudice to any further claim he may make on the grounds of wrongful dismissal.

### Former Resident Dead at Home Near Detroit

E. W. Gilker, a former resident of Timmins, passed away on August 7th at his home near Detroit, Mich. The late Mr. Gilker was one of the old-timers, having made his home here from 1909 till 1920, when he moved with his family to Detroit. Mr. Gilker and family were popular and esteemed here, and there will be very general regret here at his death. In addition to the bereaved widow he leaves three daughters and one son to mourn his death. The daughters are—Mrs. Nick Dulzo (Edythia), Molly, and Mrs. N. Gauthier (Muriel). The son is James Gilker, of Detroit.

### attendant the night of the affair, witness testified.

"These funds for the Henry dinner dance came from the T. and N. O. railway," suggested Commissioner Racine.

"Yes," answered the auditor.

"And are a part of the railway's operating cost?" continued the commissioner. The auditor gave an affirmative reply.

**Trip to Moosonee**  
 The investigating commission, headed by Commissioner Racine, and accompanied by Chairman Geo. W. Lee, who was making the regular monthly inspection of the line, left after Friday's session on a trip north on the T. and N. O. to Moosonee. Reference to this trip will be found elsewhere in this issue.

## AT THE Timmins Theatres

Matinee Daily at 2.30 p.m. Evening—7.00 p.m. (Continuous Performance)  
 Special Matinee Every Saturday at the Goldfields Theatre at 12.15 p.m.

### Goldfields

Thurs., Fri. & Sat., Aug. 23-24-25  
 Will Rogers and Zasu Pitts  
 IN  
**"Mr. Skitch"**

Mon., Tues. and Wed., Aug. 27-28-29  
 10 Stars, 50 players, Cast of 1,000  
 IN  
**"The Good Companions"**  
 J. B. Priestley's World Famous Story of Adventure, Music and Romance.

Thurs., Fri. and Sat., Aug. 30-31, Sept. 1  
 Bing Crosby, Carole Lombard, George Burns and Gracie Allen  
 IN  
**"We're Not Dressing"**

COMING ATTRACTIONS  
**"LOVE BIRDS"**  
**"GEORGE WHITE'S SCANDALS"**  
**"FOUR FRIGHTENED PEOPLE"**  
**"VIVA VILLA"**  
**"HOUSE ON 56TH STREET"**

MIDNIGHT SHOW EVERY FRIDAY AT 11.30 P.M.

### New Empire

Wednesday and Thursday, Aug. 22-23  
 Clara Bow and Preston Foster  
 IN  
**"Hoopla"**

Friday and Saturday, August 24-25  
 Eddie Cantor  
 IN  
**"Roman Scandals"**  
 (Return Engagement by Request)

Monday and Tuesday, August 27-28  
 Ken Maynard  
 IN  
**"Smoking Guns"**

Wednesday and Thursday, Aug. 29-30  
 El Brendel  
 IN  
**"Olsen's Big Moment"**

Friday and Saturday, Aug. 31, Sept. 1  
 Guy Lombardo and Burns and Allen  
 IN  
**"Many Happy Returns"**

MIDNIGHT SHOW EVERY SUNDAY AT 12.01 MIDNIGHT

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 Going Aug. 30, Returning Sept. 1  
 Going Sept. 4, Returning Sept. 6  
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TORONTO CENTENARY YEAR

## CANADIAN NATIONAL EXHIBITION TORONTO AUG. 24-TO-SEPT. 8

### Items of News from Connaught Station

Connaught United Church Sunday School Picnic Held at Bayside Beach. Other News from Connaught Station.

Connaught Station, Ont., Aug. 22nd, 1934. Special to The Advance.

Mr. and Mrs. W. Oehring, of Kitchener, and Miss Oehring, of Hanover, were the guests of Mr. Geo. Oehring.

Mr. J. M. Ferguson and boys returned Tuesday last from Moosonee and reported a very enjoyable trip.

Mr. W. Britton is relieving here in Mr. Ferguson's place.

Mr. and Mrs. A. S. Irwin and daughters, Betty and Jean, spent a few days last week in South Porcupine and Timmins.

Mrs. D. L. Warren visited friends in South Porcupine Tuesday.

Mrs. D. A. Flood spent a few days in South Porcupine last week.

Mrs. J. Mosseau, of North Bay, is visiting her daughter, Mrs. Leo David.

Mr. N. Bertrand and daughter, Blanche, of Montreal, are spending a few weeks with Mr. Bertrand's daughter, Mrs. L. Racicot, at her summer camp.

A picnic arranged by the United Church Sunday School, was held on Friday, Aug. 17th at Bayside Beach. The weather was ideal and the young people had a good time bathing, while parents and friends looked on. While the Sunday School had voted some funds for races, Mr. John Tedingham made possible a number more, by a very acceptable gift. These were arranged by Messdames Weiss, Warren and Burk, and practically all had a chance to try their capabilities. Mrs. O'Connor also gave two fine boxes of candies, which were equally divided. They intended to have had tea in the open air, but a storm threatening, Mrs. Hall gave the use of the refreshment room, and for a time there was a real storm. Abundance of food was brought and an ice cream cone for each of the sixty present, put a finish to the afternoon's pleasure. Messrs James Reid, B. Reid, John Tedingham supplied their cars, which were appreciated as conveniences. Any children not at present attending will be welcomed at Sunday School each Sunday at 10 a.m.

The marriage of Edward Charles, only son of Mr. and Mrs. Edwin Phillip Frost, of Hoyle, and Dorothy Anabella Gate, daughter of Mr. and Mrs. Charles Frederick Gate, of Toronto, was solemnized by Rev. A. A. Jenner at the manse on Tuesday, August 21st. The Hoyle community and all other friends and acquaintances wish them all good things.

### Kindergarten Classes for Children 4 to 6 Years

The announcement elsewhere in this issue of private kindergarten classes for children of pre-school age will be gladly welcomed by many mothers who will be delighted to be able to take advantage of such classes under such competent and desirable direction. Miss Elva Code, the teacher announcing these private kindergarten classes, is a graduate of Toronto Normal School and particularly well equipped by training and personality to undertake classes of this kind. These half-day classes for children 4 to 6 years will commence on Sept. 4th, and the rates are so reasonable as to place them in the reach of many in town who will find the classes of special value and accommodation.

## REDUCED FARES LABOR DAY

Week-end—Aug. 31 to Sept. 4  
 First Class Fare and One-Quarter for Round Trip

Between all points in Canada—also to certain U.S. destinations.

Going from Noon, Friday, Aug. 31, until Noon, Monday, Sept. 3. Return Limit, Leaving destination up to Midnight, Tuesday, Sept. 4.

Full information from ticket agents.

## CANADIAN NATIONAL

TRAVEL BY TRAIN—SAFETY—SPEED—COMFORT

### Len Wadsworth Hit S. African Too Hard

Handicapped in Final for Title at the British Empire Games at London, England, Through Breaking Knuckles on Right Hand.

A letter received this week by his parents, Mr. and Mrs. N. E. Wadsworth, Timmins, shows how Len Wadsworth was handicapped in his final bout for the middleweight title at the Empire Games at London, England, recently. It seems that Len had three fights in the one night, as noted in The Advance last week, and won two of them by the knockout route. The second knockout, however, was an unfortunate one for in the knockout blow Len broke the knuckles on his right hand. As a consequence he had to enter the final bout with a hand practically useless. It is not likely that the officials knew of this or the decision might have been different. As it was, Len put up so good a showing that one of the judges wanted to give him the bout on points. The other judge favoured his opponent. The referee cast his deciding vote against Len. Naturally the judges would think that Len's right was not what it was supposed to be, no matter how much they might admire his left punch.

Writing home to his parents this week Len says, in part, as follows:—"Just arrived at Quebec this morning and am now on my way to Montreal where I'll mail this letter. I guess you've heard the results again now. None of the Canadian boxers won, and only two of us got into finals. Max Berger and myself. We each got second. I fought three fights in one night. I won my first and second on knockouts. I knocked out the Scotchman in one round and the South African in the second round. In knocking out the South African I smashed the two knuckles in my right hand very badly

and I couldn't use it at all. I met the English middleweight in the final and gave him a hard fight with one hand but lost a close decision. If my hand had been all right I'd have knocked him cold easier than I did the others. We were not allowed bandages and I must have fought and hit too hard, eh? I guess I'll be home soon after I see what's what in Hamilton. I think the decisions against our boys were bad. I got a medal for second place. It's silver. The winner got a gold medal. My hand had to break in the wrong time. I felt so sure of winning. But it's just the breaks of this game."

### WROTE FOR SEVEN HOURS ON EARLY DAYS IN CAMP

H. A. Preston, old-time prospector of the North, was recently asked by two large concerns in Rochester, N.Y., to send them a complete write-up all about Northern Ontario from the beginning when the T. & N. O. was started. One of the firms is a big advertising concern. Mr. Preston agreed to do as they asked him, and last week he sat down and wrote continuously for seven hours, mentioning everything of importance that he could think of. What he mentioned about Porcupine area he feels sure will interest hundreds who read the write-up.

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