

# Final Evidence Taken In Fishermen's Loans Inquiry

Following is the official transcript of the evidence taken at the final sitting on Thursday last of the Fishermen's Loan Board Commission.

The Commissioner, Judge J. S. DesRoches, presided, with Mr. J. O. C. Campbell, K.C., as counsel for the Commission.

Mr. Campbell: Judge DesRoches, I understand that Mr. Keir Clark has a statement to make. Judge DesRoches: We will be glad to hear Mr. Clark's statement.

**Keir Clark (sworn)**

Mr. Campbell: Mr. Clark, you are a member of the Legislative Assembly for the Third District of King's, and you live in Montague? A—That is right.

Mr. Campbell: Your name has been mentioned in the course of our hearings by Mr. Wilfred Waterworth and he said something like this: (I am reading from page 82 of our evidence): "Also Joe Campbell and Keir Clark were into my office two days before the election and I said to them 'Gentlemen, what I do I will do in my office.' I also said 'I have no car but I will do all I can from this office.' I had a quantity of cash and liquor, and I think if you ask any of these men here today they will also testify that there was a large quantity of liquor and cash before the election." Now the way that appears in Mr. Waterworth's evidence, that you and Joe Campbell were in his office and that he had a quantity of cash and liquor, it would seem to connect the two. Have you anything to say about that Mr. Clark? A—Yes, Sir. We.

Judge DesRoches: Who do you mean by "we"? A—My colleague, Joe Campbell and myself. We called on Mr. Waterworth to canvass him during our campaign. Q—To canvass him? A—Yes. Q—For a vote? A—Yes, on our regular canvass of the district. Mr. Waterworth stated that we were there two days before the election, well that is not so. It was earlier in our campaign that we visited Mr. Waterworth, I believe it would be about three or four weeks prior to the election on December 11th.

Judge DesRoches: Q—What election is that? A—December 11, 1947. I took exception to this statement that appeared in the last enquiry, the statement that you have just read, and I went to see Mr. Waterworth on New Year's Day, January 1st.

Mr. Campbell: Q—Just this week? A—Yes, sir. And I asked him if he meant any implications, if he meant that there was any connection between our visit to his office and the liquor and cash which he said he had in his possession and he said absolutely not, he didn't mean any implications. I was very much concerned about this statement because the two statements were made right together and I asked Mr. Waterworth if he would clear the matter up. He said that he was just as anxious to clear the matter up as I was. I told him the statement should be sworn to because his evidence was sworn. We went to a J.P., Mr. Robert Clements, and he took Mr. Waterworth to another room and when he came out he handed me the sworn statement and I have this statement here today and would like to present it to the Enquiry. Mr. Clark then read Mr. Waterworth's sworn statement which reads as follows:

"I, Wilfred Waterworth, of Montague, make the following statement under oath:

Mr. Campbell: What date is on that statement? A—First day of January, 1951. (Mr. Clark continues reading Mr. Waterworth's statement): "In connection with the evidence I gave at the Fishermen's Loan Board Enquiry at Montague on December 28, 1950, I wish to clear up any impression which might

be drawn from my statements and state further as follows:

"1. That there was absolutely no connection between my two statements regarding

"(a) The visit of Joseph Campbell and Keir Clark to my office;

"(b) The statement which followed regarding cash and liquor.

"The visit of these two men I considered to be made with the regular canvass of their political district.

"2. That at no time in my life did I ever have any dealings in regard to fishermen's loans with Mr. Clark or asked him to sign any papers in connection with same.

"3. That at no time during the time of the 1947 election campaign had I any dealings with Keir Clark or Joseph Campbell with liquor or cash."

"(Signed) Wilfred Waterworth.

"Sworn before me this first day of January, 1951.

(Signed) R. K. Clements, J.P."

Mr. Campbell: Q—Did Waterworth tell you substantially what is in that affidavit, I mean in the course of your conversation with him did he tell you these things? A—I read this statement to him and he said he would have no hesitation in signing the statement.

Mr. Campbell: So this statement might be tendered just as evidence of the conversation that took place between you and Waterworth. Judge DesRoches: I wonder where Mr. Waterworth is today? Mr. Campbell: He is not available. Judge DesRoches: Q—Have you anything further to say? A—Yes, sir. There was some evidence given earlier of which I have no record at the moment but it would indicate that I was at the Fishermen's Loan Board office prior to the election. I would like to make a statement as to what I was doing there. I was in the Provincial Building one day about three weeks before the election of 1947 and Mr. William Agnew came up to the office of the Deputy Minister of Public Works office where I was and told me that I was wanted in the Fishermen's Loan Board office. I went to the office and Mr. Saville was there. Mr. Saville said that since I was a business man of Montague that he wanted to ask me some questions concerning applications which he had for Fishermen's Loans from people in Montague. I read over some of the applications with Mr. Saville and he asked me several questions. I told him that I didn't think that any of the applicants were very good credit risks. Mr. Saville said that the purpose of the Fishermen's Loans was to rehabilitate veterans and needy fishermen and that it was necessary to take some credit risks. There was one application I objected to because the man was a farmer; Mr. Saville looked at the application and said that it stated that the man owned no land. He asked me if the man was a veteran and I said "yes" and Mr. Saville stated that he would be good to all war veterans. I left Mr. Saville's office, went home that day — I was a bit suspicious about the loans in general — so I made some enquiries about the loans around Montague and what I learned was not very reassuring. Accordingly, a couple of days later, I came to Charlottetown to see Mr. Saville and told him that I found out some things about the loans but he said that some of them had already been passed. I warned him about any loans involving Mr. Waterworth as agent because I was suspicious of all the loans and what I had heard in Montague made me more suspicious.

Q—Are you referring to loans where Mr. Waterworth was concerned? A—Yes. About the same time, knowing that Dr. Grant had signed some loan papers, I made it my business to go and see Dr. Grant. I warned Dr. Grant much the same way as Mr. Saville, told him what I had heard and told him I was suspicious of those loans. The Doctor said if I

thought there was anything wrong with the loans that he would sign no more papers and he said that he did not like the idea of Wilfred Waterworth looking for all those loans for these men before an election. I may say in regard to Mr. Saville that subsequent to my visit to his office he told me that because of the information he got from me that he had turned down several of the loans. I met Dr. Grant a few days after I had warned him about these loans and he told me that he was asked to sign more papers and that he had refused. A few days later than that, still prior to the election, Dr. Grant told me that he went into Charlottetown on the train, and that on the train he met Waterworth who again asked him to sign more papers. He said that he refused to sign the papers. Now when I had gone back to warn Mr. Saville he mentioned that day that he was going to be very busy with his own campaign and did not intend to put through any more loans prior to the election. I left matters until after the election and two days afterwards, having been elected myself, I considered it my duty to again go to the Fishermen's Loan Board office. I can't recall whether Mr. Saville was there but the Secretary was there, at any rate I warned the Secretary of the Fishermen's Loan Board office at the time and I warned Mr. Saville either that day or very shortly afterwards.

Q—You warned Mr. Saville after the election? A—Yes. Q—About the loans? A—Yes. Mr. Campbell: Q—Waterworth loans? A—Yes. I told him that I had this matter brought up to me by several of our electors, prior to the election and some of them condemned the Government for having Waterworth handling these loans and on this account I asked Mr. Saville to discontinue all further loans where Mr. Waterworth was involved as Agent.

Q—When you went to see Waterworth, prior to the election, and he said he had no car but he would do all he could, I presume that meant that he would further your election? Can you tell us what did happen that time and elaborate on what Mr. Waterworth told you? A—When Mr. Campbell and I went to see Waterworth he received us very kindly. However, he stated that although he would like to help us that he couldn't because he was under what I would call a state of duress at the time — a restraint of his personal freedom on account of his relations at that time with a certain lawyer. He stated that his lawyer was very much opposed to Mr. Campbell and I being elected. Q—His lawyer in connection with his business? A—Yes. He said that he faced financial ruin because his family was attempting to take money out of the cold storage. He said that he was greatly beholden to his lawyer because of this matter and could not do anything to further our election in the open.

Q—What did he mean by that? A—That he could not go out and work for us because it would come to the notice of his lawyer. Q—That was the 1947 election? A—Yes. Q—Then he told you before that election that he could not go out and work for you because of his connection with his lawyer. And Mr. Waterworth said he would do all he could from his office, now what did he mean by that? A—Well, he meant he would help us out apart from anything that would come to the attention of his lawyer. Q—And he said that he could not do anything openly to help assist in your election? A—That is correct. Q—Anything further? A—Nothing further. Judge DesRoches: I suppose that this is in answer to some of the matters which have been brought to the attention of the Commission from time to time? Mr. Campbell: It would appear to be in some of the loose ends. Judge DesRoches: Mr. Waterworth has brought Mr. Keir Clark's name into this enquiry himself. At the very last hearing he mentioned Mr. Clark's name; and these matters have been brought up by several witnesses, so I suppose the evidence just submitted is in order? Mr. Campbell: I don't think there is any question about that, Judge DesRoches. There were some matters, and there may be some further matters that we want from Mrs. Higson, but we could not anticipate them in advance, however, we would like Mrs. Kathleen Higson to take the stand.

Mrs. Kathleen Higson (sworn)

Mr. Campbell: Q—Mrs. Higson, Mr. Waterworth has said that he had thirteen applications at one time signed by Dr. Grant and also other applications at other times. Now Dr. Grant, on inquiry, has said that he had only signed six or seven. Can you tell us how many loans went through with Dr. Grant's endorsement? A—From our records, as far as I can find out, between six or seven, not more than seven. Q—Six or seven loans went through on his recommendation?

# Need Of Accommodation For PEI Museum Material Shown By I.O.D.E. Exhibits

While there appears to be no immediate prospect of obtaining adequate facilities for a Provincial museum and archives, owing to unsettled world conditions, continued interest is being shown in the project and it has been suggested that if fireproof storage accommodation could be obtained, collection of historical materials could be undertaken in the near future.

The exhibition sponsored by the I.O.D.E. in Charlottetown in November, 1949, created a great deal of public interest. As it was the first of its kind to be held here for many years, the exhibits were necessarily incomplete, but the range and variety of the objects shown was a surprise to many visitors.

These included Indian beads, tea caddies, snuff boxes, fans of tortoise shell and ivory, tatting shuttles, stamp cases, dolls and dolls' dresses, shoe horns, beaded slipper bags, candlesticks and snufflers, spectacles, hand hammered copper bowls and other utensils, needle point work of various kinds, postage scales, old newspapers, almanacs and books, including an old Gaelic Bible; old locks and keys, knitted and patchwork quilts, prunella boots, patchwork caps, prayer books, milk-tinged stools, leather fire buckets, old prints, photos, paintings, etchings and maps; old coins and paper money issued by Island banks; pewter ware, miniatures, card cases, lockets, aprons, shawls and shawl pins, samplers, marriage tokens, brass banders (for drying inked pages), powder horns, hair wretches, beaded footstools, wool carders, spinning wheels, candle moulds, spinnets, bustles and other numerous articles of domestic use, totaling several hundred individual items.

Among the exhibits of special interest shown last November were the following, with the names of the exhibitors in brackets:

Muzzle loader, single barreled, used in the American Revolution, brought to P. E. Island by United Empire Loyalists. (John Cairns, Dunstaffnage.)

last two years. Archie Higginbotham paid \$10.00 — his rebate for last year.

Q—None of the others have paid any? A—No. Q—Whose recommendation were these applications passed on? Are they of the same? A—Yes. Q—They are all recommended by the same person? A—Yes. Q—By whom, Mrs. Higson? A—Wilfred Waterworth. Judge DesRoches: You say that these five applications from Vuzzo, Archie Higginbotham, Lloyd Higginbotham, Batchelder and Ansie were all recommended by Waterworth? A—Yes, sir. Q—And that is the \$1000 cheque in question? A—Yes. Q—Dr. Grant's name does not appear on any of these applications that make up the \$1000? A—No. Mr. Campbell: Q—Mrs. Higson, have you anything further you would like to say in connection with this enquiry other than what you said the last time you appeared and today? A—No, sir. I have never had any other trouble since I came into the Fishermen's Loan Board Office. Q—The only trouble you have had with fishermen's loans was around the area of Montague with Waterworth? A—Yes. I have had individuals come in and say that they had never made the loan but when we traced it back and showed them the application, note and the bill of goods that the note covered and their signatures on the application, they generally admitted that it was theirs. Mr. Campbell: Q—Mrs. Higson, there was a case up west where there were two fellows with the same name? A—Yes, that does occur. I remember the case you refer to, it was two men with the name of Fred Thibideau. Q—You have had difficulties such as the one I just mentioned but you have had no difficulties over the general administration except with Waterworth around Montague? A—That's right. Judge DesRoches: How long have you been with the office? A—Since 1942. Mr. Campbell: In accordance with our policy in this enquiry we ask if there is anyone in this audience today who has anything to say, any information for us pertaining to fishermen's loans. If you do not care to be sworn then we will be glad to hear you informally. If not the motion will be that this enquiry be adjourned sine die pending the findings of the Commission.

Before adjourning today I want to thank Mr. Campbell as Counsel for the Commission for his valuable assistance given to me during this enquiry. I also wish to thank Mrs. Jacqueline Connolly and Mrs. Rheta Menoghan for their services as stenographers during this enquiry. I desire also to thank Mrs. Higson, who on two occasions came here to give evidence. I also wish to thank all those who voluntarily came forward during this investigation and gave whatever information they happened to have about matters that pertained to this enquiry. I think in all fairness to all these ladies and gentlemen who have tried to assist in this enquiry as best they could that public acknowledgment should be made on this occasion by me.

There is considerable evidence to be read with regard to this enquiry and it will probably require some thought. I have no intention of making a hasty report but I do hope that in three or four weeks time that I will be in a position to hand my report to the proper authority. This Court stands adjourned sine die.

Q—What loans did it cover? What are the names of the people you say there were five \$200 loans? A—Yes. The names of the five people are: Francis Vuzzo, Archie Higginbotham, Lloyd Higginbotham, Walter J. Batchelder and James Ansie, and the amount of the loan in each case is \$200. Q—Those were paid by a cheque to Waterworth for \$1000? A—Yes, sir. Q—And that cheque was cashed? A—Yes. Q—Now then how much has been paid on any of those loans and by whom? A—Lloyd Higginbotham paid \$41.00, rebate for the

Q—How long would it take you to get this information for us, Mrs. Higson? A—A short time. (Judge DesRoches then adjourned the Court for a short recess in order that Mrs. Higson could obtain the information on these loans.) Mr. Campbell: Q—Now then the question was about the thousand dollar cheque dated November 30, 1947? A—Yes. Q—What loans did it cover? What are the names of the people you say there were five \$200 loans? A—Yes. The names of the five people are: Francis Vuzzo, Archie Higginbotham, Lloyd Higginbotham, Walter J. Batchelder and James Ansie, and the amount of the loan in each case is \$200. Q—Those were paid by a cheque to Waterworth for \$1000? A—Yes, sir. Q—And that cheque was cashed? A—Yes. Q—Now then how much has been paid on any of those loans and by whom? A—Lloyd Higginbotham paid \$41.00, rebate for the

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Hon. George Coles. (Mrs. Arthur Bruce.) Wine Glass bought from England by family of Hon. George Coles. (Mrs. Stewart Jones). Jug, washed ashore at Cavendish, 1883, from wreck of the "Marco Polo." Silver mug presented to John Lawson, father of William Lawson, promoter and first president of the Bank of Nova Scotia (1852) and grandfather of John Lawson, first Recorder of Charlottetown. (Mr. Robert L. Cotton.) Bag of Lawson letters, etc. (Mr. Cotton.) Shillalah, belonging to William Douse, candidate at the time of the Belfast Riot, 1847. (Mr. Victor Purdie). Photograph of Prince Arthur at Charlottetown, 1869. (Mrs. Angus MacLean.) "Dutch Wife" hotwater bottle, 130 years old, brought out from Scotland. (Mrs. John Cairns.) Hooked stair covering, made by Mrs. Nell Shaw over 90 years ago, and in constant use for years at Shaw's Hotel, Brackley. (Mrs. Robert Shaw.) Handmade hardwood loom, made by father of Miss Josephine Blanchard in 1868, with blanket woven on the loom in 1870. (Miss Blanchard.) Boot jack owned by Justice Douglas Hazzard, 1797. (Mrs. J. E. Harris.) Group of four valuable paintings of old Charlottetown, painted by Hubbard in 1848. Loaned by the board of trustees of the P. E. I. Orphanage. Sickle made in 1786, and used on P. E. I. farm. (Miss Eva Beers.) Sabre brought to P. E. I. by Major Gillespie, an officer of a detachment of troops sent out about 1790 by the Duke of Kent. (Mrs. W. M. Brehaut.) Silver knee buckle, washed ashore at Cascumpec in November, 1775. (Mrs. A. V. Saunders.) Footstool, owned by Sir Robert Hodgson, last Governor before Confederation. (Miss Doris Wright.) Linen tablecloth, hand woven on loom 75 years ago by the late Mrs. Malcolm MacDonald of Lyndale. P. E. I. great grand-son of exhibitor, Mrs. Wilfred Hunter; also tablecloth made from home grown flax. Invitation card to reception at Government House, from Lieutenant Governor Dundas (1859-70). (Miss Hazzard.) Gaelic Bible, 1829. (Mrs. W. T. Weir.) Compass from "Marco Polo". (Mrs. Lawrence Crosby). Rocking chair, first in Augustine Cove, about 150 years ago. (Miss Mabel Newsome). Cup belonging to a set brought from Yorkshire, Eng., also saddle-bags from Halifax before roads were built. (Mrs. J. J. Davies). Doll's furniture, handmade by Mark Butcher for grandmother of exhibitor. Mrs. R. E. Bell; also hand-stitched quilt's dress. Exhibits of skates, woodstock to modern. (Wallace Scantlebury). Oil painting of Edward VII as Prince of Wales, 1881, purchased in England by Governor Dundas for Government House, just prior to Edward's visit to Charlottetown, when he was in his tenth year. (Prince of Wales College.) Silver service and tray used on one of the earliest steamers. (Mrs. H. H. Horne). Book carrier, formerly the property of Judge Young, of "Fairholm." (Mrs. Horne). Combination chair and step-ladder for use with old four-poster beds on dais. (Mrs. Horne). Book presented Feb. 7, 1878, to Mary (Laird) Mathieson on her 11th birthday during the time her father, Hon. David Laird, was Governor of the North West Territories, by Mrs. Forget, wife of the Secretary to the Governor General of Canada. (Mrs. T. B. Rogers.) Flat silver dessert knives and forks, antique design, from the De St. Croix family. (Mrs. Brehaut.) Island pottery, smoking set, 1875, made by Mrs. J. J. Hornsby's father in the old Island Potteries, situated on Pottery Lane near St. Dunstan's College. (Mrs. Hornsby.) There was also a very valuable and interesting collection brought from Summerside by the Abegweit Chapter, I. O. D. E., including two uniform tunics of Captaina Holland and his nephew; valuable figurines and carved teakwood from the Chan collection; feather fans; sword cane, horse pistols, sabres, muzzle loaders and other antique weapons; newspaper clippings, old photos and pictures, and clocks with history attached.

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