

A \$20,000,000 FIRE MAKES THOUSANDS HOMELESS

C.N.R. BOND NEGOTIATIONS ARE CAUSING TROUBLE -- CITY COUNCIL FEARS PUBLIC CRITICISM

TWENTY MILLION FIRE TOOK PLACE TODAY IN SALEM, MASS.

ONE THOUSAND BUILDINGS DESTROYED; TEN THOUSAND ARE HOMELESS--MANY HISTORIC STRUCTURES WERE DESTROYED

(Special to The Daily News)
Salem, Mass., June 26.—Nearly half the city of Salem, containing rich historic buildings, was devastated by fire today. The loss is \$20,000,000. The fire destroyed 1,000 buildings, including a score of manufacturing establishments, and made 10,000 residents homeless.

The fire originated in the Kern Leather Factory on the west side and swept through the shoe leather district ruining every building in a curving path two miles long and more than half a mile wide.

HITCH OVER C. N. R. BOND ISSUE ---RAISING MONEY THEMSELVES

TROUBLE OVER DETAILS OF MORTGAGE SHOWS THAT MACKENZIE AND MANN CAN GET MONEY WHEN THEY ARE UP AGAINST IT--THINK THEY OWN GOVT.

Ottawa, June 26.—It is stated on good authority that there is a serious hitch in connection with the issue of C. N. R. bonds provided by Parliament last session. The report is to the effect that the Government is insisting on certain conditions being placed in the mortgage which the C. N. R. claim is not provided for in the Act.

The Government desires a minimum price to be fixed for selling the issue so that there will be as little sacrifice on the face value as possible. In consequence of the hitch, it is understood that Mackenzie & Mann are borrowing on their own security in the New York market to tide over the situation till the matter is settled.

INQUIRY ON DISASTER--- EVIDENCE IS CONFLICTING

STORSTAD HAS WITNESS THAT SHIPS STRUCK AT 40 DEGREES ---ALSO THAT ONLY ONE WATER-TIGHT APARTMENT WAS AFFECTED

(Special to The Daily News)
Quebec, June 26.—Mr. Reid, an expert called by the owners of the Storstad, told the inquiry into the Empress wreck that the ships came together at an angle of forty degrees instead of eighty as laid down by Hillhouse, and that only one watertight compartment was penetrated by the collision's nose, against two claimed to be opened by Hillhouse. He suggested that the enlarged rudder was inadequate.

After the long list of witnesses was exhausted, an address by George Gibson, counsel for the National Sailors' and Firemen's Union was heard.

When counsels' speeches are made the commission will hold a conference in private when all the evidence will be sifted.

It is expected that the session will last two weeks.

R. W. Cameron is going to give special advantages to jewelry buyers in this city. A portion of his large and high class stock will be sold at auction in order to effect a quick sale. There is sure to be some dandy bargains going.

The Empress Theatre TO-NIGHT

"The Flying Circus"

A THRILLING SPECTACULAR FEATURE IN 3 REELS
This is a wonderful picture and entirely out of the usual run. The rescue of a young girl from a burning building by the Tight Rope Walker is thrilling, but the performers second feat is simply marvelous. He walks up a tight rope fastened to the ground at one end and to the tower of a tall building at the other. There are many other features that stamp this as a picture of most extraordinary merit.

4-- Four Great Comedies --4

The comedy portion of our tonight's program is particularly attractive. They are as follows:—

1. "THE TRIALS OF A RENT COLLECTOR."
2. "THE MASCOOT."
3. "LEOS' VACATION."
4. "MR. BINK'S GOUTY TOE."

Admission: 15 Cents

Children: 10 Cents

TAXPAYERS HAVE TO PAY

"I notice the Mayor is kicking over the court's decision in the private quarrel which the City Council took into court at the expense of the public," said a business man to The Daily News this morning. "The only injustice I see in the verdict is that the city is stuck for several hundred dollars of costs instead of the City Council."

British House Divide

(Special to The Daily News)
London, June 26.—The division on the Finance Bill resulted in 303 for and 265 against; the majority being 38.

Pantorium Pioneer Cleaners, Phone 4.

DECORATIONS FOR JULY 1st

As secretary of the committee in charge of the coming 1st of July celebration, I am instructed to suggest to the citizens of the City of Prince Rupert that should it be their intention to decorate their homes or places of business that they use as far as possible the Union Jack or Canadian Ensign. The 1st of July commemorates the birthday of our Dominion and it is felt that national decorations are those most appropriate for this occasion.

I am also instructed to state that the colors emblematic of Prince Rupert have been decided upon and are to be purple and gold.

ADAIR CARSS, Secretary.

NO WAGON ROAD

"The prospector who said the road department is spending \$9,000 on a wagon road up Alice Arm is entirely mistaken," said R. Jennings, the Road Superintendent this morning. "We are not building any wagon road. The whole appropriation is \$3,000 and it is being spent on a trunk trail up the Ilbance Valley."

Hindus Fighting for Entrance

(Special to The Daily News)
Vancouver, June 26.—An order for the deportation of one of the Hindus on the Komotaga Maru has been signed. The application for a writ of habeas corpus has been refused. An application will be made to the court of appeals of which there will be a special sitting to hear the appeal.

CITY COUNCIL NOT TRYING TO SELL THE LONG TERM DEBENTURES

Financial Meeting Last Evening Did Not Produce Results--Taking Expert Advice of Bank and Sitting Tight--Treasury Notes Might be Renewed at Another Discount--Mayor Fears Censure--Average Rate of Interest 7.59 per cent.

The Mayor's long promised financial meeting was held in the city hall last evening. It brought forth a lot of talk, criticism and abuse and the fact that the Council has done nothing towards selling the big debenture issues. In fact, several offers were received but were turned down. The Council admitted placing itself entirely in the hands of the Bank of Montreal, and claiming the bank advised against selling. The correspondence, however, did not bear out this latter statement as the very last letter from the London office advised selling if they got a reasonable offer.

The hall was comfortably filled, and the Mayor opened the meeting with the presentation of a memo of the city's financial affairs.

Memo on City Finances

Sold five per cent treasury certificates at 96 1/4 to the amount of \$393,660.

Out of that sum \$109,825 have been paid on the Government debt.

After deducting charges on the sale of the Treasury Certificates, \$267,361.66 was left to complete the hydro-electric system.

Four year six per cent debentures have been sold at 95 net to the amount of \$52,210 for plank roadways, walks and temporary sewers, while another \$20,000 issue of the same denomination has been arranged for re-decking purposes should that system be finally decided upon.

\$20,000 worth of twenty year five per cent debentures, at 85 net, have also been sold for permanent water mains in Section Two, Seventh Avenue in Section Seven, and in other parts of the city where most needed.

Ten year five per cent debentures to the extent of \$20,000.00 have been sold at 85 net to meet the cost of the new school.

To provide for recreation grounds, \$30,000 worth of twenty year five per cent debentures have been disposed of at 85 net.

The total issues so far sold this year amount to \$533,870.

In addition to the above mentioned undertakings, \$10,212.00 is being expended for telephone extensions and \$9,600 for light extensions, the money being secured from the reserve accounts of these two utilities.

Summary of Debenture Sales			
	Debt Total	Proceeds	Cost of Money per Year
Treasury Certificate Issue.....	\$393,660.00	\$377,774.24	9.20%
Water Extension Issue.....	20,000.00	17,000.00	6.55%
Recreation Grounds Issue.....	30,000.00	25,500.00	6.55%
Schools.....	20,000.00	17,000.00	8.10%
4-Year Local Improvements.....	50,210.00	47,699.50	7.64%
Total.....	\$513,870.00	\$484,973.74	
Total Debentures Sold.....		\$513,870.00	
Total proceeds.....		484,973.74	
Total Loss.....		\$28,896.26	
Average rate of Interest, 7.59 per cent.			

\$40,000 have also been voted to the hospital, and another \$5,000 to aid the Fair Association in the erection of its exhibition building.

\$4,200 have been provided for a garbage auto, and outside capital has been arranged for in connection with the Morse Creek bridge by the G. T. P. agreeing to appropriate \$30,000 and the Provincial Government \$35,000.

The following is a list of the estimated expenditures on Public Works for the year 1914:—

Hydro-Electric scheme, \$260,000
Morse Creek Bridge, 35,000
Recreation Ground, Acropolis, 30,000
New School, Borden St., 20,000
New Water Mains, 20,000
New Telephone bldg., 52,000
Market Place Grading, 9,000
Section 1 Grading, 40,000
Local Improvements (passed), 50,210
Local Improvements (In abeyance), 23,200
Garbage Wharf etc., Section Two, 6,000
New Garbage Scow, 2,500
City Market, 1,200
Water, 20,000
Annual Estimates, 36,300

Total, \$605,410

A question to be decided is, shall the Council stop after carrying out the present programme, or shall it attempt to sell further issues at the prevailing price and proceed with further undertakings.

If the latter course is decided upon, the Bank, as the city's fiscal agents, are willing to place the unsold issues except those covering the treasury certificates on the American market only. These unsold debentures amount to \$1,016,719.

The Bank advises against any

effort being made to sell the long terms, providing for the redemption of the Treasury Certificates until the end of the present year.

A question, therefore, arises as to what course the citizens would wish the Council to take.

The reason the long term issues have not been dealt with is owing to the depressed state of the market.

Another question arises as to the wisdom of further permanent grading and the effect it will have upon provision being made for the permanent sewerage system, especially in view of the necessity for levying a three mill rate to provide for local improvement delinquencies.

Mayor Opens Discussion

The Mayor opened the discussion with a lengthy speech. In fact the Mayor and Ald. Morrissey did most of the talking for the first two hours. The audience were invited to discuss any question but the moment a head came above the tops of the chairs with a question or a critical remark, the Mayor and the chairman of the finance committee hurled a sand bag of words at them.

The Mayor said the bank had strongly advised the Council not to sell the long term debentures at the present time as the bank feels the financial depression will clear away. If the debentures were sold now the money would have to lay in the bank at 3 1/2 per cent until next June to take up the Treasury Certificates then due. The bank said the city need have no fear of not being able to sell them at the end of the year, but if the city was crowded the certificates could be re-floated.

G. R. Naden asked if any offers

MERCHANTS' SOCCER TEAM DEFEATED DRY DOCK BOYS

OPENED GAME IN DOMINION DAY CUP COMPETITION WAS INTERESTING THOUGH ONE-SIDED -- GROUNDS GOOD--FAIR CROWD OF SPECTATORS

Last night the local soccer enthusiasts had their long looked for opportunity of witnessing a full eleven-a-side game, when the City Merchants played the Drydock Club in the initial game of the City Cup Competition.

Previous football games have always been confined to the rather limited space of Second Avenue, but now that a ground has been prepared it is to be hoped that the soccer boys will be accorded the support which their game in itself warrants.

The new ground, though as yet rather soft, will no doubt improve as the season advances, and to the Drydock Club is indeed due all praise for the arduous work of its members in making the ground what it is.

The following was the line-up of the teams before a fairly large gathering of spectators, viz:—

City Merchants: Youngman, Dodson and J. Currie; Arthur, Garnet and S. Currie; Campbell, Brighton, Dennis, Allan and Hardy.

Drydock: McGrath; Smith and Armstrong; Davidson, Duff and

Archie; McIlvery, Service, Elliot, Hughes and Lowe.

Right from the start the Merchants made progress on the left, and, following a mix-up in goal-mouth, Currie opened the scoring for the Merchants with only a couple of minutes gone. Fortune certainly favoured the city team for immediately afterwards Brighton accepted a rebound from the goalkeeper and added number two. This early success seemed to dishearten the Drydock men for with the exception of a few disjointed rushes of their forwards, the game waged mostly on their own half. At this point Allan went through and added a third goal. The play of the city forwards so far by no means justified their commanding lead for had the opposing defence covered up better they might have been more successful.

Another brace of goals from Currie followed quickly, but just to prove that hope had not died within the hearts of the Drydock men, a piece of forceful play on

had been made for the long term debentures.

The Mayor said when they first took office the market was active and being new in office they were a little careless and slow to act as they wanted to investigate. There were many communications but none were definite.

Communications were then read from a London firm making an offer of 86 net and from a Mr. Longmuir offering 87, also from Stimson of Toronto, and M. M. Stephens representing a London firm. These were all informed eventually that the long term debentures were withdrawn from the market.

The Mayor said the feeling was general around town that nothing short of 90 should be accepted, and the city could not keep up the expensive cablegram communication.

G. R. Naden: Did the bank advise not to sell at 86 net?

Mayor: We did not ask the bank's advice but bank advised against selling debentures to cover Treasury Certificates.

The correspondence from the Bank of Montreal was then read. The gist of it was that the bank advised the city not to advertise their bond issue in London as this is an antiquated method of selling and would hurt the issue; also not to sell the bonds covering the treasury certificates but that the balance might be offered in America.

Mr. Naden wanted to know what logic there is in selling \$500,000 at 7.59 per cent and turn down a two and a half million offer at a trifle over six per cent.

The Mayor said there were certain pressing requirements for which they were willing to pay a high rate.

Ald. Morrissey said the Stephens offer was only an option. It had been kept quiet so as to save Mr. Stephens feelings. He would not stand for it being called an offer.

Mr. Stephens said Ald. Morrissey did not see all his correspondence and when he wrote the

SOCIAL DANCE

Will Be Held in the ST. ANDREW'S HALL
Tuesday, June 30
Night Before Dominion Day

Splendid Music will be furnished and a good time is assured all who attend

Tickets: - Gents, \$1.00

GREAT COMEDY PROGRAM At the

WEST HOLME

OPERA HOUSE TO-NIGHT

1. WEEKLY GAZETTE
2. HOW FILMY WON HIS BRIDE.—Fine Thanauser Comedy.
3. TWO REEL WESTERN FEATURE: "In the Cow Country."
4. OUR MUTUAL GIRL.—Seventh Instalment.
5. BUNNY BUYS A HAREM.—Side-splitting Bunny Comedy.

Admission 10c and 15c