

WELLAND PLOT WAS ONLY PART OF HUGE CONSPIRACY

LEADERS IN PLOT TO BLOW UP

WELLAND CANAL ARE OUT ON BAIL

New York, Dec. 18. — Welland Canal plotters arraigned to-day, and remanded till Jan. 12th, on \$50,000 bail.

Buffalo, N. Y., Dec. 18. — Special agent Edward D. Strickland, of Federal Department of Police, presumably upon orders from New York, left Buffalo to-day for Niagara Falls, in connection with the alleged plot.

Alleged plot to blow up the Welland Canal, which resulted in the arrest of several men in New York. It is believed that arrests are to be made at the Falls, and some interesting local developments are being looked for. The alleged conspirators were in Buffalo and vicinity for several days in September last, and during that time they received many visits from local persons and others who came here for that purpose. At that time Koenig registered under the name of W. T. Mundy at a local hotel.

A plot to blow up the Welland canal is charged in connection with the arrests of two prominent Germans in New York last evening.

The first man arrested was Paul Koenig, head of the bureau of investigation of the Hamburg-American line, and believed to be the head of the German secret service in the States. Koenig has been conspicuous in German circles. He has taken out his first papers to become an American citizen.

The second man is Richard Emil Leyendecker, retailer of art goods. He is a naturalized citizen and these arrests make the first instance where the so-called "hyphenated Americans" have been arrested in connection with the German propaganda.

These men are charged under section No. 13 of the federal criminal statutes with planning a military enterprise or undertaking of hazard against a country friendly with the United States. The penalty on conviction is three years in prison or \$3000 fine, or both.

The special agents of the department of justice raided the offices of the men, and they picked up a great mass of material concerning the movements of German secret agents. Secret codes which were changed every week to elude any person who might have been shadowing them or listening over the telephones were also found.

These codes showed that when Koenig or any other of his men telephoned to another "to meet me at South Ferry," that meant Pabst's, 125th street, or some other place. In addition to these codes there were found many other documents of great importance over which the detectives and the agents were poring last night.

Both Koenig, who, by the way figured in the Stahl case under the name of Stemler, and Leyendecker have been under surveillance by the police and agents of the department of justice for more than a year. Their movements have been followed closely. That was made possible by a tapping of their telephone lines.

This is the complaint verbatim under which the arrests were made: "At the city of New York, county of New York, within the southern district of New York, on September 27, 1915, the defendant unlawfully, wilfully and feloniously did begin and set on foot and prepare the means for a military enterprise to be carried on from the United States against the property, territory or dominions of a foreign prince, with whom the United States was and is at peace; that is to say, that the said defendant on September 27, 1915, at the city of New York, within the southern district of New York, did begin, set on foot and prepare the means for a military enterprise to be carried on from the United States against the Dominion of Canada, a colony or dependency of the King of Great Britain and Ireland, and that it was the purpose and intent of the said defendant then and there to destroy, mutilate and damage the Welland canal, a waterway traversing a portion of the said Dominion of Canada, for a distance of 27 miles, from Port Colborne to Port Dalhousie, in said Dominion of Canada, the said canal being used for the transportation of foreign and domestic commerce, and it was the purpose and intent of said defendant then and there to destroy, mutilate and damage said Welland canal by force of arms, the object of the said enterprise or undertaking of hazard so begun and set on foot, being to destroy, mutilate and damage said canal and the commerce of the Dominion of Canada, with which the United States was, and is, at peace, and for the purpose of carrying on said enterprise the said defendant left the city of New York in the county of New York within the southern district of New York on the 27th day of September, 1915, and proceeded by the Lehigh Valley railroad to Buffalo and thence

New York, Dec. 21.—Information obtained by the federal authorities yesterday from witnesses appearing before the grand jury which is investigating the alleged plot of Paul Koenig, head of the detective bureau of the Hamburg-American line, to blow up the Welland canal, have widely extended the scope of the inquiry. After the grand jury had adjourned for the day, federal officials stated that the Welland canal plot might prove to be merely an incident in a conspiracy which extended throughout the country.

Indictments against Koenig and Richard Emil Leyendecker, the New York arts goods dealer, who was arrested with him, are expected to be returned on Wednesday. United States Attorney Marshall admitted, however, that these indictments would probably be merely the forerunner of others to be sought from subsequent grand juries, dealing with other activities of Koenig.

While the Koenig case was occupying the attention of one federal grand jury, Samuel Gompers, president of the American Federation of Labor, was appearing before another which is concluding its inquiry in the case of Franz von Rintelgr, charged with instigating strikes in munition factories.

After leaving the grand jury room Mr. Gompers declared that he knew of no instance in which any leader of organized labor had been corrupted by German agents. He intimated that he had information in regard to attempts being made to bribe union heads. Mr. Gompers will resume his testimony today, when Frank Morrison, secretary of the Federation of Labor will also appear before the jury.

Metzler's Confession.

Frederick Metzler made a full statement yesterday concerning the alleged activities of Paul Koenig who, he said, had twenty-five agents in New York alone and reported the results of his investigation to Captain Von Papen, the German military attache.

According to Metzler, Koenig's activities through agents extended to Quebec, Burlington, Vt., Boston and Portland, Me. His activities in this city, Metzler charged, brought into his possession, among other things, secret reports made by attaches of the Russian embassy on the result of tests of speed boats in Long Island Sound. These, said Metzler, Koenig got through Frederick Schleinl of the National City Bank, now under arrest.

Metzler charged flatly that it was Koenig who put at George Fuchs to destroy the Welland canal, but Fuchs, he said, reported, after visiting the canal, that its destruction could not be accomplished at that time.

The authorities have evidence which they believe connects Koenig with the fire on the Minnehaha.

After making his confession, Metzler went before the grand jury. That body heard also witnesses from Buffalo who testified concerning the Welland canal plot.

J. D. McGoorty, barroom keeper of Buffalo, has paid \$1125 for violating the liquor law.

Fred Watson of Brantford was fined \$300 or three months for selling liquor to soldiers. He took the jail sentence.

A recent order prohibits the sale of intoxicating liquors in Tete De Pont barracks, near Kingston, where a wet canteen has always existed.

W. Parker, a former wealthy business man of Chicago, asked permission to sleep in the police station at Hamilton. He stated: "I started on the booze route to eternity."

A seven mile tunnel has been bored through mountains near Honolulu to convey water to sugar plantations.