

TEUTON INTRIGUERS OPERATING IN CANADA

Commons Discusses Cases Alleged of Spies in Various Places, Including Troops at Front—Ministers Defend Germans in Public Service of Dominion

(Special Despatch to The Globe.)

Ottawa, Feb. 10.—Teuton intrigue in Canada concerned Parliament today. Members sought assurance from the Government that additional and more rigorous steps would be taken to insure the Dominion against the stealthy and ominous operations of the Prussian espionage system. Two direct cases of the conduct of men subsequently proved to be German spies on the Atlantic coast were instanced by Mr. E. M. Macdonald and Hon. Rodolphe Lemieux. "Canada is at war," declared Mr. Macdonald, "and it is the duty of the Government to leave nothing undone to protect the lives and the property of its citizens."

Spies Among Canadian Troops?

Grave apprehension existed in the western seaboard Province, said the member for Pictou, that there were a considerable number of German-born **allens** who were in touch with the **enemy** through more than one source. Recent correspondence published in the United States indicated that there were spies in Canada. He had no doubt that some had enlisted with Canadian troops. Letters from the boys at the front were to the effect that the **enemy** was signally well informed as to what was going on among the Canadian troops. He thought stronger restrictions should be placed upon the statute books.

Premier Borden explained that re-

strictions had been made. An order was passed last November which prevented the use of firearms, explosives, etc. Another order provided for registration. Other orders had also been issued along the line of justice and good sense.

Menace to Country—One Instance.

Mr. Macdonald sought wider powers for dealing with suspects in districts where war munitions were being manufactured. He told of one German who had been farming in Nova Scotia, but disappeared when the war broke out. An investigation was asked, owing to public suspicion being aroused, but the reply of the authorities was that he was a man who would do no harm. Later he was arrested for some offence and interned. He escaped. Since then it had been discovered beyond peradventure that he was a spy. Such conditions Mr. Macdonald described as a menace to the country.

Spies on St. Lawrence.

Hon. Mr. Lemieux stated that last summer when the submarines built at Montreal were being tested down the St. Lawrence there were two spies in the district, apparently surveying a small river. The matter was reported to the Dominion Police, but on the arrival of brass buttons the men disappeared. In the city of Quebec a prominent German named Undheim, on behalf of a German syndicate, had, just prior to the outbreak of war, bought up the extreme por-

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tion of the Island of Orleans, a position which guards the city of Quebec and all that part of the St. Lawrence. It was later found that Undheim was a German spy and he was interned. "Surely what has already happened in Canada and the United States should open the eyes of those upon whom responsibility rests," exclaimed Mr. Lemieux.

Registrars All Over.

Premier Borden explained that registrars had been appointed in every part of the country where aliens of enemy nationality in any number existed, and those registrars were in constant touch with the police and similar authorities.

Police Cordon on Border Needed.

Sir Wilfrid Laurier, in paying a tribute to the force of the Northwest Mounted Police, urged that they should keep a cordon along the border for some years, and also maintain a patrol in the far north.

Hon. Mr. Hazen Defends Heldmann.

Men of German birth, and German-Canadians who have won for themselves positions of confidence in the administration of Canada's naval and military services at the present time, were warmly defended by Hon. J. D. Hazen, Minister of Naval Affairs, and Major-General Sir Sam Hughes, Minister of Militia.

On the calling of the orders of the day, Mr. Hazen directed attention to statements made in the press since the destruction of the Parliament Buildings by fire concerning Mr. Gustav Heldmann, his Private Secretary. The Minister stated that he was being criticized for allowing Heldmann, who is of German birth, to retain an important and confidential post in the Government service. Mr. Hazen explained that Heldmann came from Germany to Canada as a child. His father settled in Toronto, where he had lived for thirty-two years. He had taken out what he believed to be naturalization papers, and had voted as a Canadian citizen. His son secured his education in Toronto, and became private secretary to H. S. Strathy, a bank manager. In 1904 he came to Ottawa as assistant to the Secretary of the National Transcontinental Railway.

He Had Offered to Resign.

Hon. Mr. Hazen stated that upon assuming office in 1911 he had chosen Heldmann as his Secretary out of a number of applicants, and he had performed his duties in a most satisfactory manner. One of his brothers had enlisted with the Canadian forces, and was now with the overseas forces at the front. The Minister added that, more than once, Heldmann had offered to resign if his presence in the department was an embarrassment. Mr. Hazen, however, would not consider this course. Heldmann was the father of five children, and had married an Ottawa lady who was connected with some of the oldest families in the city. To have accepted his resignation, Mr. Hazen stated, would have been an injustice to "an honest, upright, and conscientious official, and as loyal a subject of the King as could be found in Canada."

Press Severely Criticized.

Mr. Hazen explained that, to remove all doubt, Heldmann had taken out full naturalization papers following the outbreak of the war. As a matter of fact, he would not have access to important secret information relating to the war, as such information would be only within the knowledge of the Minister, the Deputy Minister and the Director of the Naval Service. Mr. Hazen criticized the press comments severely.

Better to be Open and Frank.

Hon. Dr. Pugsley thought that Mr. Hazen should not be too censorious of the people or the press at this time. It was better that such matters should be openly discussed and frank statements made. Such a course tended to lessen anxiety. The member for St. John inquired concerning a press interview with the Minister of Militia defending the retention of a Chief Intelligence Officer alleged to be a German, with brothers in the German army.

Sir Sam Vouches for Capt. Hahn.

Major-General Hughes stated that it was true that Captain Hahn, the Chief Intelligence Officer with the overseas forces, was a German-Canadian. His father was one of many Germans who left the Fatherland to escape tyranny and oppression. He had come to Canada in search of liberty. Captain Hahn, Sir Sam stat-

d, was "as fine a fellow as ever stood inside a jacket." The Minister said he had not stated, as was reported in the interview, that Captain Hahn had brothers in the German army, but did not deny other statements by the newspaper, including one that thirty-eight German-Canadians had already died at the front. Sir Sam said he had counted them up a month ago, and that was the number then. Many others had been wounded in the trenches. It should be impressed upon the people, General Hughes added, that Canada was not fighting the German people so much as she was fighting the Kaiser and his methods.

Two Previous Incipient Fires.

The Minister of Militia further admitted that he had stated that twice within three weeks previous to the destruction of the Parliament Buildings incipient fires had been discovered in the reading-room. This, he declared, was true. One fire, he added, was started by a match and the other by a cigarette. He did not desire to say anything further, as the inquiry was being held.

Might be Act of Courtesy.

Sir Wilfrid Laurier asked regarding the cable that Lieut.-Col. Maynard Rogers had been appointed Staff Officer to General Lessard. Sir Sam replied that General Lessard was not on active service, and he had no official information as to the appointment; but, at any rate, it would be only an act of courtesy to an officer of General Lessard's rank.

Amendments to Bank Act.

Sir Thomas White moved the House into committee on his resolution to amend the bank act "by repealing the provision limiting the time within which chartered banks may lend money for the purchase of seed grain upon the security of the grain purchased, the crops to be grown therefrom, and the seed thrashed from the crop, and also by permitting the chartered banks to lend money to farmers and those engaged in raising stock upon the security of their live stock—that is to say, upon horses and their progeny, bulls and cows and their progeny, sheep and swine."

To Continue Loan Practice.

The Minister explained that last year the bank act was amended to enable the banks to loan money to farmers on the security of grain. This applied only to last year, and the object was to provide for a continuance. In response to a question by Sir Wilfrid Laurier, the Minister said that the matter had been left as permanent in the resolution, but it might subsequently be limited.

ays Western Farmers Favor It.

Hon. Dr. Pugsley wanted to know whether the demand for this legislation came from the farmers or from the banks. Sir Thomas said a resolution favoring it had been passed by the United Farmers of Alberta, and he understood the farmers of Manitoba would also favor it. He said he had communicated with the banks, and many of them thought they would loan as freely if the bill were not passed. After canvassing the situation thoroughly, the bill had been drafted so as to enable the banks to take chattel mortgages and bills of sale, according to the respective laws of the various Provinces. The bill was referred to the Banking and Commerce Committee after considerable discussion by the western representatives.

Encourage Shipbuilding.

The whole of the night sitting was devoted to making progress on the routine estimates of the Marine Department. One interesting discussion developed. The situation with which Canada is confronted by reason of lack of shipping facilities at the present time prompted Hon. Dr. Pugsley to again urge upon the Government the advisability of taking some speedy and serious step to encourage the development of the shipbuilding industry in the Dominion. Dr. Pugsley was supported in this view by Messrs. E. M. Macdonald, F. F. Pardee, J. H. Sinclair, William Carroll and other Liberal members. The Opposition applauded the speeches of Dr. Edwards, Frontenac, who advocated action toward the public ownership and operation of steamship lines, and Mr. W. F. Niede, Kingston, who pressed strongly for some definite action to meet the situation.

Hon. Mr. Hazen was the only Minister in the House, and he did not vouchsafe any comments upon the constructive suggestions submitted.