

JURY CONVICTS ENGINE WORKS' FOUR OFFICERS

**Counsel Says Appeals
to Be Launched—Crown
Hints Evidence Doctored**

Montreal, Feb. 7 (CP).—A Court of King's Bench jury returned a verdict of "guilty" Saturday in the case of four men charged with conspiring to defraud the Federal Government and three companies of \$200,000 in connection with war sub-contracts for the Munitions Department.

The jury, returning the verdict after an hour's deliberation, said through a spokesman that "we find all four guilty." The men are Patrick Lynch, president and general manager of Engine Works and Trading, Incorporated; his son, Donald, former production manager; Patrick Noonan, paymaster, and Daniel Taugher, clerk.

The verdict was announced in a

packed, hushed court, which heard Mr. Justice Wilfrid Lazure say that he would sentence the men Feb. 16. Shortly afterward Defense Counsel John Ahern, K.C., told newspapermen that he will institute proceedings tomorrow to appeal the jury's decision.

The prisoners showed little outward emotion when the verdict was announced, but perspiration covered their faces.

Hints Fabrication.

The address to the jury by Special Crown Prosecutor H. E. Donnell, K.C., earlier had been featured by a suggestion that certain defense submitted had been fabricated. He referred to a list of names which machinist Chas. Burns identified as a list of those from whom he had collected money for the employees' benefit fund.

Examination of the exhibit, half of which is covered with a film of oil, led to the Crown's belief that some names had been written on the list after it had been partly smudged with oil. Mr. Donnell declared. He asked the jury to examine the name "Karst" on the list, claiming that the last letter, "T," appeared to have displaced the film of oil and grime.

"We submitted the exhibit to Dr. Fontaine (medico-legal and handwriting expert) yesterday," Chief Crown Prosecutor Gerald Fauteux, K.C., declared, asking that the exhibit be safeguarded for future reference.

Defense Counsel John Ahern, K.C., questioned disposition of the exhibit since it was first filed, maintaining that "When I last saw this exhibit, half the names, reading upward, were virtually unreadable because of the oil on the paper. I could hardly read them at the time, and now I can even without my spectacles."

Mr. Justice Lazure, after consultation with M. A. Hurteau, Deputy Clerk of the Crown, declared that the exhibit had been in the clerk's possession until handed over to R.C.M.P. Cpl. Pelletier, guardian of the Crown's exhibits, for examination by the Crown authorities.

Jury Out an Hour.

The jury withdrew at 4:57 p.m., E.D.T., after hearing the instructions of Mr. Justice Lazure and after the attorneys had completed their addresses. They brought in their verdict an hour and four minutes later.

Mr. Justice Lazure, speaking after R. L. Calder, K.C., defense counsel for Noonan and Taugher, had completed his address to the jury, explained the various elements of conspiracy and told the jurors the various verdicts they could return.

He said that the men are charged "with conspiring to defraud by deceit, falsehood and by other fraudulent means the Government of Canada, three companies and the community as a whole."

He summed up the evidence presented by the Crown and the defense and said that "I might close my remarks as to facts with two or three questions. Does the evidence satisfy you beyond any reasonable doubt that machinations of different kinds, call them alterations of figures, false entries or otherwise—are you satisfied that this kind of deceptions and falsehoods have been practiced with a fraudulent intent by the accused or not? If not, well, they are not guilty. If you come to

the conclusion that these irregularities were the result of honest mistakes or errors done in good faith and due to the incompetency of the staff and the very large number of entries, as explained by the defense counsels, again they are not guilty.

"Otherwise, if the evidence satisfies you that they are false pretenses and deceptions done with a fraudulent purpose, you will then ask yourself whether you can infer from this mass of evidence, of disorderly book-keeping, the false entries, of machinations of all kinds, as contended by the Crown; whether you can infer from it and from the conduct of the four accused in relation to it, that there was collaboration and combination between the accused, that there was an understanding between two or three of the accused or the four of them in the pursuance of their design.

Questions for Jury.

"Can you infer from this whole evidence an agreement among the accused or a scheme organized by them, or some of them, or partly by some of them and partly by others, some working in one field, some in another, but with the common design and understanding of defrauding the clients of the company and make large amounts of money at their expense?

"This you will have to decide and say by your verdict, and your verdict will be very important in its consequences, whether one way or the other."

The judge expressed belief that the case, which started four weeks ago, was one of the longest in the history of Montreal.

Mr. Calder told the jurors that they could not return a verdict of "guilty" unless "you find that they were consciously guilty of the overt acts."

He said the Crown had offered no proof that Taugher was the only timekeeper in the plant or that Noonan was the only paymaster.

"You must judge whether Taugher was the only one with anything to do with shift sheets, accumulative sheets and buff cards. We showed that Taugher had four others performing the same tasks as himself.

"On what basis of justice can you fix upon him the sole responsibility? Arthur Payne, another timekeeper, testified that he had destroyed time sheets simply because that had been the practice even before the war.

"Was there strictly one paymaster?" he asked. "The whole office collaborated in making up pay envelopes. The pay was brought to the plant and distributed by four or five men. There was no evidence that pay envelopes in any large numbers were kept by any one. And you have no right to proceed on any assumption without proof."

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