

Simply adorable... her figure

Advertisement for Palmolive soap featuring a woman's face and a bottle of soap. Text includes 'But her skin, tragic!' and 'What a marvelous figure! But her skin—what a shame! To think—how few words from me could have done so much for her.'

THE RAILWAYS

(Continued from Page 1)
sumed that the expenses of the general officers were distributed throughout the system. He had no knowledge of payments made by the Central Vermont and the Grand Trunk Western, each of \$5,000 a year to Sir Henry.

An Official Residence
The question of a free house for the railway President was not discussed in his presence, the former Minister of Railways said. The matter, however, had been submitted to him in 1928, shortly after the bonus discussion with Graham Bell. The latter had intimated some of the directors desired to have an official residence for the President. The purchase of such property would have entailed capital expenditure, however, and as such would have to be shown in the estimates and discussed in the House, Mr. Dunning had intimated he could not approve that. He was positive that that was in 1928 for he had been in hospital in 1929.

Mr. Chaplin: "While you were Minister did the proposal to lease a house, free, for the manager of the road come to your attention?"

Sir Henry's Salary

"The Board of Directors were not required to submit proposals to lease anything," Mr. Dunning answered. When he returned to his duties as Minister of Railways, following his term in hospital, in 1929, the late J. A. Robb, who had been acting Minister, informed him some of the directors were still of the opinion that the house should be provided, and that they were investigating the possibility of leasing a house.

"I understand that you approved of it," said Mr. Chaplin.
"The approval of the Government and the Minister is given by Order-in-Council," said Mr. Dunning, "and I will stand by that."

He repeated that no such order would be needed to authorize a lease, but a purchase would require the consent of the Governor-in-Council since that involved a capital expenditure.

Mr. Chaplin read the cablegram which Sir Henry had sent to Tom Moore, C. N. E. director, at Geneva, some time ago in which Sir Henry expressed his understanding that when his contract was renewed in 1929 the Board of Directors were free to grant at their discretion other annual payments and allowances. Mr. Moore's answer had confirmed Sir Henry's understanding of the situation.

To this Mr. Dunning said that the contract provided for \$75,000 a year and reasonable expenses. The directors had the same authority over Sir Henry's expenses as any other directors similarly situated. The understanding respecting the contract was clear. He was anxious, Mr. Dunning said, to have a contract beyond cavil and the result was the document now before the committee.

"You said you knew nothing about the \$5,000 a year from the Central Vermont and the Grand Trunk Western," suggested R. B. Hanson (Cons. York Sudbury), committee chairman.

"It depends on what they were for," Mr. Dunning answered.
"If the Board of Directors thought it was proper to allocate these for his expenses, they had a right to do so."

"It has been established there were sums aggregating \$30,000 paid to Sir Henry. Were any of these sums passed on by you as Minister of Railways and given your sanction?" asked the chairman.

"No. They would not be required to be passed on if they fell within the terms of the agreement."

"Was it in the legal power of the Board to pay any of these salaries?" asked Hon. W. D. Fuller (Lib. Waterloo North).

"I don't think the directors had any power to pay Sir Henry in the way of salaries any sums not in the contract," replied Mr. Dunning. "If they decided to make an allowance for reasonable expenses they had a right to do so; but the salary fixed was \$75,000."

The Purchase of The Residence

Ernest R. Decary, Montreal, President and director of the Title Guarantee Company, and a director of the Canadian National from 1922 to 1930, was the next witness called. He was brought before the committee to give evidence in connection with the purchase of the residence now occupied by Sir Henry Thornton at 1415 Pine Avenue West, Montreal.

Advertisement for N. D. McLean, Undertaker and Embalmer, located in Charlottetown and North W. Main Street. Phone 149.

Trinity United Church, Thursday, 7:00—Senior Taxis Square, regular meeting—Social Hall.

with the purchase of the residence now occupied by Sir Henry Thornton at 1415 Pine Avenue West, Montreal.

"This is your witness, Major Power," said the chairman, speaking to the Liberal member from Quebec, South.

"Then, if he's my witness," said Major Power, "I want him to be allowed to tell his story without interruptions from the chair." Mr. Hanson agreed.

The Purchase Price

When the projected purchase of a house for Sir Henry Thornton was first discussed by the Board of Directors, in late 1928 or early 1929, he had been against it, Mr. Decary stated. He did not know who initiated the idea. It was finally decided that a house be secured, and Sir Henry was asked to look around for one that appealed to him. After some consideration he decided that the one he was then living in, owned by Fred Beardmore, was the most satisfactory. That was the house now under discussion.

Mr. Decary was asked by the Board if he could arrange the financing and he had replied, he said, that he could if the price was right. Mr. Beardmore had told Sir Henry he valued the property at \$300,000 but that he would sell to Sir Henry for \$250,000. Mr. Decary considered this too high. After consultation with Mr. Decary, Sir Henry made a definite offer of \$175,000 for the property. Mr. Beardmore accepted on the condition that the purchaser would also take the furniture for an additional \$10,000, making the total purchase price \$185,000.

"I said to Sir Henry," Mr. Decary proceeded "that if the board accepted that proposal I would finance the deal and lease the property to the Canadian National."

Mr. Decary then described his dealings with the Montreal Trust Company which loaned the money on the personal guarantee of the witness. The arrangement was that the house was to be bought by Mr. Seguin, an employee in Mr. Decary's office with money loaned by the Trust Company and guaranteed by Mr. Decary. The Trust Company would be paid 6 1/2 per cent on the money and the railway would pay 8 1/2 per cent of the purchase price in rent on a ten year lease, and in addition pay the taxes and up-keep. The difference of two per cent was to remain with the Montreal Trust as a sinking fund against the loan.

Described As Craft

The transaction was explained to a meeting of the Board of Directors on June 15, 1930, but owing to a delay necessitated by the careful preparation of the resolution embodying the provisions, so that it would be acceptable to the loan company and the legal officers concerned, the resolution did not go into the minutes until the meeting on August 7. The purchase was carried out on August 8.

Was Much Perturbed

Mr. Decary replied that he had read with great pain the reports in the afternoon newspapers yesterday describing the proceedings before the committee reflecting upon him. He hoped his denials would receive the same publicity.

Mr. Decary said that on Nov. 7, 1930, he had discussed the matter of the house with Sir Henry, and the latter thought the railway should have the right to purchase the house if it desired. He had agreed, and had written Sir Henry a letter agreeing to sell at any time during the term of the lease, for the amount still outstanding in the purchase price.

Dr. Peter McGibbon, (Cons. Muskoka) said he understood the lease provided that the house was to be turned back to the owner at the expiry of the lease in the same condition it was in at the commencement.

Mr. Decary: "Subject to reasonable wear and tear."

Mr. Hanson: "The lease does not stipulate that." The chairman read from the lease to show that the "wear and tear" clause had not been included. It was naturally understood, Mr. Decary said.

Dr. McGibbon: "Then, the two per cent difference between the rent and interest charge must ultimately revert to you."

Mr. Decary: "No, it does not profit me. There is bound to be that much depreciation in the building with age."

Dr. McGibbon wanted to know why the board took on this great expense when Sir Henry was already occupying the house at a cost of only \$7,200 per year.

Mr. Decary said he could not have kept it much longer as the owner was going to dispose of it. "I was only one of twenty directors," Mr. Decary added, "and I told you I was opposed to the purchase at the start."

Dr. McGibbon: "You were the main man in this deal."

Mr. Decary: "No. I object to that. I only did the financing."

Dr. McGibbon: "At a profit of two per cent."

"There was no profit," Mr. Decary maintained. "No person can tell what that property will be worth at the end of ten years. The value of Pine Avenue as a residential district may be gone to the devil in that time. They have cars on it now."

Dr. McGibbon suggested that there was equally a chance that the property might increase in value. In that case, Mr. Decary replied, the railways could step in and exercise their option.

Dr. McGibbon: "That option was an afterthought."

The member from Muskoka then proceeded to question the witness about his dealings and that of his firm, with the Canadian National Railways.

Mr. Decary said he was only a "nominal" member of the firm now and did not participate in any of the profit made by the firm in its work for the Canadian National. He was also questioned about property, owned by his firm, adjoining the Canadian National Railways. There was no such property owned by his firm, he declared.

"Fly Off The Handle"

A lengthy cross-examination into the technical and legal details of the lease was conducted by Mr. Hanson, and brought protests from several members of the committee. Once when the chairman's voice was raised in addressing the witness, Major Power jumped to his feet.

"You can't bully the witness here, or you'd better stop," he said heatedly. "This is no Beauharnois enquiry and you're no Peter White. If a row is going to start, it had better start now. You start bullying," he exclaimed "and there'll be hell to pay."

There was a general hubbub in the committee room, in the midst of which Major Power called to the chairman:

"You tried that yesterday on Fairweather and got what was coming to you."

(The reference was to a contradiction of Mr. Hanson's observations yesterday by S. W. Fairweather, economist of the Canadian National.)

The cross-examination by the chairman continuing, Arthur L. Beaubien (Lib., Provencher), remarked:

"Why don't you let some good lawyer ask these questions?"

"I may not be a good lawyer; but I can ask the witness these questions," rejoined Mr. Hanson.

Further objection was taken, and William Duff, (Lib. Lunenburg) suggested that if Mr. Hanson, as chairman, desired to cross-examine the witness, it would be much better if he surrendered the chair and descended to the floor of the room.

"I leave myself to the judgment of the public," said Mr. Hanson.

Mr. Duff moved that the committee adjourn, which brought from Mr. Hanson the comment that the "proceedings are all right."

"I am not coming down," he said. "Is that your ruling, asked Mr. Euler, 'that you can take as much time as you like with the witness? The proper proceedings are that you come down here and question him.'"

The chairman replied that that was his ruling.

Mr. Hanson asked the witness if he realized that on the day he put through the deal to purchase a house for Sir Henry which was to cost the country nearly \$18,000 a year, he had also signed the new agreement with Sir Henry in which the railway president was to receive \$75,000 per year for his services without any additional fees or remuneration of any kind.

Mr. Decary replied that he could not recollect. If he had signed the contract he must have realized what it contained. He added, however, that he had only been acting at the request of the board and he understood the deal had the approval of the Minister of Railways.

Mr. Duff drew from the witness the fact that the property carried insurance to the amount of \$135,000, which was all they could get.

"If the house burned down to-night who would stand the loss?" Mr. Duff asked.

The Montreal Trust would exact it from me," replied the witness.

Mr. Duff: "I presume you considered the two per cent margin reasonable coverage against such risk."

Mr. Decary: "I did not even consider that aspect. I figured the two per cent would represent the depreciation in value in ten years. Everyone will admit that even if kept in the best of repair the property will be ten years older. I may be as good a man in ten years as I am now, but I will have ten years less to live."

Trust Company Manager Heard
Henry J. Knubley, manager of the Montreal Trust Company, was heard next. The loan for the purchase of the Thornton home was negotiated between his general manager, Mr. Donald G. G., and Mr. Decary, he told the committee. To the chairman he said the two per cent margin would accrue to whoever owned the house at the end of the lease. He figured it would approximate \$50,000 in that time.

Mr. Knubley expressed the opinion that the loan would not have been made without the assignment of the lease and the personal guarantee of Mr. Decary or some person of equal standing.

Senator Haydon In Poor Health

OTTAWA, May 4.—(By the Canadian Press)—Because of his indifferent health, no further action will be taken against Senator Andrew Haydon, it was announced today in the Upper Chamber by Senator Arthur Meighen, Government leader.

Senator Haydon was censured by a committee of the Upper House for his association with the promotion of the Beauharnois Power and Navigation Project. Linked with him was Senator W. L. McDougald, who resigned last night, thus removing himself from further action. Referring to the third Senator mentioned in the committee report, Donat Raymond, a mild rebuke was issued to him. Senator Meighen said the findings of the committee would not warrant further action against him.

"In view of the resignation submitted to this House last night," said Mr. Meighen, in making his announcement, "I think it is due to all the Senators that I should make a statement indicative, and indeed completely so, of the position which I, as Government leader in this House, think should be taken. The resignation of Senator McDougald naturally and necessarily disposes of the necessity of further consideration of that phase of the subject having to do with him. I expressed last night my appreciation of his action. I think the terms of the letter were unfortunate; but that was his concern."

"As regards the Senator Raymond," continued Mr. Meighen "I have never felt—and I do not know—that the terms of the findings of the committee, just though they were, and I think entirely fair, would warrant consideration of any further action against him."

"With regard to Senator Haydon, I desire to state to the House that I have received the most convincing, and I feel I can say, the most authoritative information concerning his health. The information is such that without any reservations whatever I feel we would not be justified in considering further action regarding him. This statement is made and in doing so I submit the judgment here expressed to the consideration of the honorable Senators."

Animated discussion on the subject of cable and wireless communication between Canada, Bermuda, the British West Indies and other communities of the Empire, coupled with consideration of the British film quota question, occupied delegates to the Parliamentary conference yesterday. Both matters, as important problems affecting Imperial development aroused special interest, with representatives of the Westminster, Canadian and Bermudian delegations airing their views. Sir Sydney Rowan-Hamilton, President of the Parliamentary Association's local branch was in the chair.

Tracing development of the "all red" communications route, Hon. S. S. Spurling presented Bermuda's

300 when the Chamber of Deputies assembled, following the second ballot, next Sunday. Out of 615 constituencies, 248 deputies were elected on the first ballot, and the remaining 357 seats will be decided at the polls again.

In the meantime speculation as to the definite complexion of the new chamber is rife. Until midnight tonight candidates may retire and new ones be nominated. Party chieftains are eagerly seeking to bring about alignments most suitable to their interests. The various groups of the National Republicans (Premier Andre Tardieu's party) are hopeful of having approximately 260 of their candidates elected to the Chamber. Between the Socialists and the Republicans lie the various left-Independent and Radical left groups.

British delegates inquired as to the effect of Empire broadcasting from Chelmsford in Bermuda and Canada, and the extended dissemination of news through the British short wave station.

C. B. Howard, M. P., Canada, argued for more Empire news being made available between films in every public theatre in the Commonwealth. Present conditions, he said, were not satisfactory to the development of an imperial point of view.

J. H. Harris, M. P., contended that the cost of private and business messages was excessive. The aim should be a lower cost and a greater volume of business.

News service facilities in London maintained by a Montreal daily newspaper were referred to by J. A. Sullivan, M. P., who said that re-broadcasting was being successfully carried out by the Marconi station at Yamachiche, Quebec.

C. R. McIntosh, M. P., stressed the "splendid Empire news service" given the Dominions by the daily and weekly press of Canada, and advocated the devotion of additional space to similar information in the newspapers of Great Britain and the Commonwealth generally.

Thus the Empire would become a closer knit series of communities, evolving commercially and ideally.

J. D. Talbot, member of the Bermudian assembly, opened the discussion on the matter of a British film quota. Sentiment among the British delegation was favorable to films produced at home. This would enable Bermuda, it was pointed out, to stand out as different to the United States in this form of entertainment. Delegates from Canada and Bermuda explained the status of film contracts, and the distribution of films on a rental basis for business purposes. With expansion of the British film industry, a distinct inclination to use pictures produced within the Empire was growing, it was stated.

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Douks Stage Another "Show" NELSON, B. C., May 4.—Doukhobors in the Thrums district staged another nude demonstration today but donned clothing afterwards. Meanwhile in Nelson Jail, where 118 Doukhobors are held for parading in the nude, all is quiet. A large awning has been erected shutting off the view of the jail yard to Doukhobors and curious citizens. A drive against the nudists at Thrums is expected at any moment either Monday or tomorrow as the provincial government has declared it will clean up the situation.

IMPERIAL TRADE (Continued from Page 1) etables and Canadian meats and fruits. Other problems to be discussed during the week will include the use of Empire currency and sterling in Bermuda and the possibility of substituting Canadian currency for sterling.

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