

April 2

TORY IS NAMED IN RAIL DEAL

Former Member Was to Get Contracts

The Ontario Legislature Public Accounts Committee, investigating tie buying by the Timiskaming & Northern Ontario Railway, was told yesterday by Edgar Gagne, one man who sold ties, that Harry Morel, former Conservative member of the Legislature for Nipissing, was to receive one-third of his company's dividend to obtain contracts.

It was shown in cross-examination by Colonel W. H. Price that Morel received no money.

Examined by Attorney-General Roebuck, Gagne said Morel was a director of the company since incorporation. He had no share, but was to receive one-third of the dividend, "and in return for this one-third of the dividend what was Mr. Morel to do?" the Attorney-General asked.

"He was to get the contract."

"So the service he did was to get a contract for ties from the T. & N. O. Railway, is that right?" Mr. Roebuck asked.

"Yes."

Cheques were produced showing the company received more than \$260,000 for ties over a period of years.

Gagne said he made no money on the deal, due to heavy expenses.

If there had been any losses, he stated, he was to absorb them. But if there were profits, he was to receive two-thirds, and Morel one-third.

"Morel never drew any money?" Colonel Price asked.

"No."

John Law, an official of the Provincial Secretary's Department, produced company returns showing Gagne was President of the company, with Morel as director. Walter Culens was Secretary-Treasurer. The board was changed in 1931 to make Rene Gagne Secretary-Treasurer.

Morel, first elected in 1908, according to records produced, had been a member for seven years. He was not in the House from 1919 to 1923. Later elected again, he resigned in 1930, to contest a seat in the Federal election.

COMPENSATION ACT AMENDED

Bill Extends Medical Service Provisions

A bill was introduced in the Ontario Legislature yesterday by W. F. Schwenger (Lib., Hamilton Centre) amending the Workmen's Compensation Act to extend the provision for employing medical service.

"The intention is," said Mr. Schwenger, "to permit the board in proper cases to engage the service of drugless healers just the same as now it employs physicians."

**Civil Servants
Average \$1,466**

ONTARIO civil servants—from Deputy Ministers to charwomen, and including game wardens, cooks, statisticians and jail guards—get an average pay of \$1,466.19. The average civil servant salary was revealed yesterday by Premier Hepburn.