

LABOR TO HOLD OFFICE FOR FEW DAYS YET

Withhold Resignations
In Order to Probe Russian
Letter to the Very Bottom

A Committee of Cabinet
To Examine Into
Authenticity.

KING GEORGE
TO BE READY

New Government Can
Easily be Completed
Before House Meets.

[The Associated Press.]
London, Oct. 31.—The Laborite Cabinet, headed by Premier MacDonald, after a two hour session this morning, is understood to have decided to remain in office a few days, and then resign before the assembling of the new Parliament.

One of the most important matters discussed at the meeting to-day was the alleged Zinovieff letter. It is believed that one of the chief reasons for the decision to hold in abeyance the resignations of the Cabinet members is the desire to carry out Mr. MacDonald's promise to probe to the bottom the incident of the alleged Russian letter and the subsequent British and Russian exchange of protests.

Meantime, it is learned that the King will return to London from Sandringham next Monday, presumably to be on hand should the necessity arise for his receiving Mr. MacDonald.

Later, an official communique was issued stating that the Cabinet had appointed a committee to examine the question of authenticity of the Zinovieff letter.

Cabinet Council to-day.
London, Oct. 31.—A Cabinet Council is being held to-day in Downing Street to decide upon the Labor Government's course of action in the face of the overwhelming Conservative victory in the Parliamentary elections.

It may prove to be the "last meeting" of a Labor Cabinet in England for the next five or more years, as the expectation is that the MacDonald Government will decide to resign forthwith, making way for a Conservative ministry under the leadership of former Premier Stanley Baldwin.

Premier MacDonald has the alternative choice of remaining in office until the new Parliament convenes and awaiting defeat, or of resigning before the House meets, in view of the stunning defeat suffered at the polls by his party. It is thought he will step down at once.

Should he resign forthwith and the King sends for Mr. Baldwin, a new Government could be completed before Parliament meets, it is declared at Conservative headquarters. Mr. Baldwin is leaving to-day for a short holiday in the country, in preparation for the strenuous duties which await him.

BAPTIST MINISTER
WILL RETIRE SOON

[The Canadian Press.]
St. John, Oct. 31.—Rev. Dr. David Hutchinson, one of the most prominent Baptist ministers of the Maritime Provinces, announced at a meeting in Main Street church last evening that he would retire from the pastorate on April 30 next year, which day would mark the completion of 30 years in spiritual charge of the church. He said the change would not necessarily mean that he would leave St. John.

The Indian Agitator Gandhi
Forbidden to Visit Kohat

The Viceroy Wishes to Avoid Evil Influence on Attempt at Settlement of the Communal Differences at That Place.

[Special despatch to The Daily Gleaner.]
Delhi, Oct. 31.—The Viceroy has prohibited Mahatma Gandhi from visiting Kohat where fifteen persons were killed on September 9 in communal rioting.

His Excellency considers that such a visit would be likely to prejudice the efforts now being made for a settlement, but is prepared to reconsider his decision as soon as feeling becomes less bitter.

Mr. Gandhi, in acquiescing to the order, maintains that non-official intervention would be more effective than that of the Government, and never creates an armed neutrality. The unreasonableness of this dictum, however, is exposed by the recent failure of the farcical unity conference in Delhi, and other efforts made by this Congress to settle communal differences.

Two Leaders Elected



Sir Alfred Mond, on the left, and ex-Premier Lloyd George are seen above looking out of the window of their railroad compartment on a train at Euston station just before leaving to campaign in Carmarthen and Carnarvon, their constituencies.

Sir Henry Thornton Outlines
Canadian National Situation

President of the Government Railways Believes the Net Surplus on Operations Will Not Fall Far Behind Those of Previous Year.

[Special Despatch to The Daily Gleaner.]
Kitchener, Ont., Oct. 31.—Sir Henry Thornton, chairman and president of the Canadian National Railways, in an address delivered before the Canadian Club of Kitchener last night, gave a brief outline of the financial situation of the National Railways, and of its probable showing at the end of the year.

Sir Henry stated he firmly believed that despite the industrial depression which was in evidence during the year, the net surplus on operation for 1924 would not fall behind that of last year to any appreciable extent. In 1923 the Canadian National Railways showed a net surplus on operation of approximately \$20,000,000. "I had hoped that the net earnings in 1924 would have reached the sum of \$30,000,000," said Sir Henry, "but after the first three months of the year our earnings fell off from a variety of reasons. This was partly due to bad conditions, partly to manufacturing conditions in the provinces of Canada, and partly to the relatively small crop as well as conditions in the United States, from which we draw ordinarily a big income."

"All told to date we have suffered a loss of \$5,000,000 in our gross revenue, but on the other hand we have reduced expenses by \$7,147,000. Therefore at present we are only \$383,000 behind the figure of last year for the same period. In the month of September gross revenue decreased \$2,300,000, but we saved \$2,600,000. Thus we actually had a surplus over the same month of last year of \$300,000. This saving was effected out of transportation expenses."

"When a question of a reduction in expenses is mentioned there naturally arises in the minds of a certain section of the public a feeling that possibly the saving was effected at the expense of the property. I would like to take this opportunity to state that the railway property was maintained adequately and the saving made is not that which at some time or other must be put back in one form or another. It was a legitimate saving and the same kind of a saving any business man would adopt if placed in charge of the property."

Sir Henry added that there was a possibility the impression may have come about in certain circles that because the Canadian National Railways was operated under public ownership it was overvalued. This he pointed out that the Canadian National had less men on its payroll per mile than many other railways operating a big mileage, and that there were no more employees than were necessary for the efficient operation of the system.

In explaining the vastness of the Canadian National system, Sir Henry touched briefly upon the Canadian Government merchant marine.

"The merchant marine has been ridiculed in some quarters," he continued. "I can say that it is a paying proposition to-day, but if it is fostered and given support it will be highly useful to the people of Canada in marketing their goods. We all should unite and see if we cannot make something out of it, instead of taking any attitude that would tend to make it a failure."

In conclusion, Sir Henry paid a fine tribute to the loyalty and co-operation of the officials and employees of the railway and said that whatever has been accomplished was due to their fine service. He appealed to every employee to be a supporter for the traffic department and to bring all the traffic they could to the system.

The dinner was presided over by D. E. Bowley, president of the club, and Sir Henry was introduced by W. C. Grimmer, M. P.

GOVERNMENT
TO MEET HERE
NEXT TUESDAY

van C. Rand to Be Sworn In
as Attorney General

BY HIS HONOR
LIEUT. GOV. TODD

The Moncton Bye Election Not
Likely to Be Seriously
Contested.

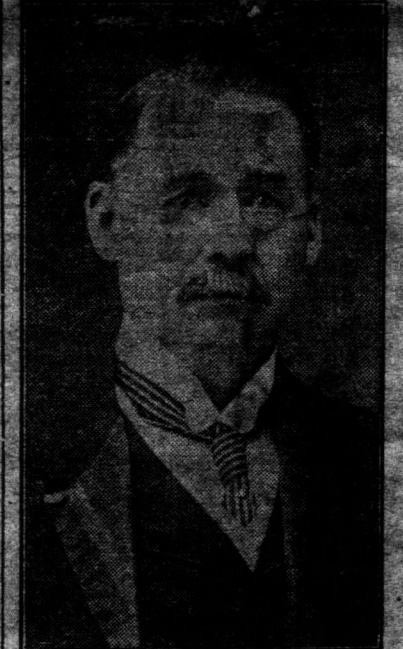
[Special Despatch to The Daily Gleaner.]
Moncton, N. B., Oct. 31.—The Provincial Government will meet at Fredericton on Thursday next at 10.30 a. m. Before the meeting Mr. van C. Rand will be sworn in as Attorney General of the Vanier Government by His Honor Lieut. Governor Todd.

The date of the bye-election has already been fixed, but judging from the temper of Moncton to-day the Opposition will not, in view of the fact that the general elections are due within the next few months, make a contest at the present time.

There is some talk of the Prohibitionists putting up a candidate, but this is scarcely taken seriously, and particularly in view of the great preponderance of opinion that the two party system in this country, as in England, is quite sufficient to assure good and reasonable government.

Government moves in this constituency, however, are well organized.

His Birthday



MR. JUSTICE W. H. C. GRIMMER
Of the Supreme Court of New Brunswick, was born at St. Stephen 56 years ago to-day.

FORM GARDEN CLUB
FOR WOODSTOCK

A Town Development Society
Was Organized Last
Night.

[Special Despatch to The Daily Gleaner.]
Woodstock, N. B., Oct. 31.—A town improvement society, under the name of a Garden Club, which was promoted by Miss Hazel Moore, R. N., was organized at the residence of Miss Moore last night. There was a large attendance of ladies and gentlemen present. Miss Moore was elected president, Frank Foster vice-president, and George Hanson secretary. The object of the society is to cooperate with the town council and board of trade in a plan of town development, for a community planting scheme of shrubs, vines, flowers and gardens, the uniform planting of elm, hard maple or oak trees, for the uniformity building of houses, for a clean up and paint up campaign and to utilize all harmonizing agencies in the beautifying of the town.

DEAD IN ENGLAND.

[John MacCormac's Special Cable to The Montreal Gazette and The Daily Gleaner. Registered in accordance with the Copyright Act.]

London, Oct. 31.—The death occurred at Queenstown, Ireland, on Monday last of Margaret Ann, daughter of the late Ven. Arthur Palmer, Archbishop of Toronto, and first Rector of Guelph, Ontario.

D. Euler, M. P. The role of thanks was moved by Mayor Beishaupt and seconded by W. G. Watchel, M. L. A.

Preferential
Principle Will
Come in Force

Return of Conservative
Government of Vital
Interest to Canada.

GUARANTEE OF
EMPIRE PRICES

The Safeguard of Indust-
ries Act Will Probably
Be Reimposed.

[John MacCormac's Special Cable to The Montreal Gazette and The Daily Gleaner. Registered in accordance with the Copyright Act.]

London, Oct. 31.—Although this election does not materially affect their vital interests as did last year's contest, when Imperial preference was the main issue, the Conservative victory cannot fail to be of considerable significance in the eyes of the watching dominions. Labor and the Liberals were so tactically and gratefully easily put in reject even those Imperial preferences which would have reduced the price of food, that the return of a Conservative Government might well be expected to find favor in Canada and elsewhere in the Empire.

The oft-advanced claim of the Right Hon. J. H. Thomas, Colonial Secretary, that he succeeded by careful tact in healing the yawning breach between the Old Country and Canada over the Lausanne treaty has scarcely affected the fact that Labor apparently chose Russia rather than Canada for favored treatment.

A Conservative issue to the election will not mean the adoption of any general scheme of Imperial preference. Stanley Baldwin's reference to this issue in his recent election speeches was frowned upon by other Conservative leaders and by prompt denials that any sort of food taxation was proposed—denials which reduced Imperial preference to a pious wish. Even Beaverbrook, who opposed Baldwin last year because his proposals were not broad enough, has taken pains to make it clear in the Daily Express this year that to keep Socialism out, preferences must be offered up as the burnt sacrifice.

It is almost certain, however, that a Conservative government will re-establish the preferential principle. Something in the way of a price guarantee for Empire wheat or the offer of an assured market through embargoes on foreign wheat, until Empire supplies have been purchased, will probably be considered.

The Safeguard of Industries Act will probably be reimposed, and as with the former act, Empire preference will be provided for. All this should be done only if the Conservatives secured a clear majority over the other parties. A Conservative government, depending for power on a certain amount of Liberal support, would be forced to leave latitude and preferences severely alone.

TOBACCO TRADE
AS IN FRANCE

Government Monopoly Also In-
cludes Matches, Auto-
matic Lighters.

[Special to The Daily Gleaner.]
Paris, Oct. 31.—The sale of tobacco in France which is a Government monopoly has produced revenue amounting to 1,592,028,300 francs during the first eight months of this year as against 1,438,533,000 francs during the corresponding period. Revenue from the sale of matches and automatic lighters, which is another Government monopoly, has also risen from 68,301,000 francs during the first eight months of 1923 to 73,231,300 francs for the corresponding period this year.

The actual selling of tobacco and matches in France has also become a far more profitable occupation than it was before the war, with the result that the Bureaux de Tabac of which there are 31,000 distributed throughout the country need at the present time to be reclassified. Prior to 1914 there were 8,000 of these tobacco stores reckoned as first-class because yielding over a certain profit and these were in the gift of the Government.

Bureaux that will enter the first-class category, leaving in consequence only 14,000 of the disposal of the profits instead of 23,000. In order to meet this difficulty it has been suggested to set a higher sales maximum for second-class stores.

PARLIAMENT
MEETS EARLY IN
THE NEW YEAR

Premier Mackenzie King Makes
Some Interesting Remarks
at Fernie, B. C.

HOME BANK MATTER
MAY BE BROUGHT UP

The Premier Declares That
Some Action Will Be Taken
by House.

[The Canadian Press.]
Fernie, B. C., Oct. 31.—"I hope to see Parliament meet early in January."

This was the closing remark of Premier King in discussing the plea of the Home Bank depositors for indemnification in their losses. It was the closing speech of the Prime Minister's three weeks' tour through British Columbia. Four functions were attended through the day—a reception, luncheon, address to the children and a mass meeting from 5 to 7 o'clock. Some 500 children, representing practically all nationalities, sang the National Anthem, which the Premier announced as the most inspiring incident of the western tour. The Home Bank indemnity is the outstanding problem in this valley, as a million dollars in individual deposits—chiefly that of miners—and \$200,000 of the municipal funds were lost in the crash. Besides, there were hundreds of small shareholders scattered through the section. A committee of depositors called on the Premier and he promised to discuss the matter.

The coal strike of six months has hit the Fernie district almost as hard and, though settled, but few men are working at present. This was the atmosphere that greeted the Prime Minister's party, but the town and vicinity for miles around gave him a most enthusiastic reception. There was no heckling, but much laughter when the chairman, facetiously introducing the speaker, said he had come in on a freight train. "Yes, and that is good enough for him until he settles this freight rate problem."

In relation to Home Bank depositors Mr. King forecast the possibility of some measure of relief in the next Parliament, but he made no promises and did not seek to pledge the Government. He said he could only reiterate what he had said in the House—the decision of investigators appointed to consider the subject was delivered to the House in the closing days. It was impossible in that time to know the extent of the liquidators' recovery of assets. The House would meet in a month or two, early in January at least, he thought, and then he considered action would be taken.

BIG LYNX TRAPPED
IN CAPE BRETON

[The Canadian Press.]
Glouce Bay, N. S., Oct. 31.—John A. MacCush, of Cape Breton, yesterday shot the biggest lynx ever seen in Cape Breton. MacCush had been mistaking sheep for some time and set a trap with successful results. The lynx had carried the trap away for some distance, and when discovered, was shot. Mr. MacCush dispatched it with a single shot. The fur measures nearly six feet.

[Special Despatch to The Daily Gleaner.]
Woodstock, N. B., Oct. 31.—Neil MacKinnon died at the home of his son, John, last evening, in the 74th year of his age. He is survived by four sons, Philip, in a military hospital in Montreal; Penn, of West Suk, N. B.; John, of West Suk, N. B.; and one daughter, Mrs. McPhail of Woodstock.

Irish Free State Sentry
Attacked at Queenstown

Party Landed on Island in Cork Harbor and Took Rifle and Ammunition From the Lone Sentry on Guard—Wounded in Struggle.

[Special Despatch to The Daily Gleaner.]
Queenstown, Ireland, Oct. 31.—Under cover of darkness, which set in early in Queenstown harbor, a party of men landed at Rocky Island and attacked a Free State soldier on guard there, taking from him his rifle and ammunition and some of his accoutrements. He was wounded in the hand in a struggle with them, and by the appearance of his uniform when brought to Haulbowline by a party of Free State troops, he must have been dragged along the ground by his attackers, who succeeded in escaping. Before the Free State was set up Rocky Island was an arms magazine used by the British army and navy. Reticence is being observed in connection with the affair.