

INTERIM REPORT ON ONTARIO TIMBER PROBE

Commissioners Recommended That Legal Action be Taken to Secure Amounts Due Government

ACTING upon recommendations contained in a second interim report by Justices Riddell and Latchford, the Ontario government will at once take action in the courts to recover from the Shevlin-Clarke Lumber Co., of which J. A. Mathieu, Conservative member for Rainy River, is general manager, a sum running into millions, due to the province on lumber for which no return was made. This is the second interim report to be issued by the commission which has been enquiring into the timber licensing operations of the province.

Recommend Legal Action

The commissioners, in advising the government that proceedings should be taken, express themselves strongly regarding the way the company has dealt with the government. "From the facts before us, in great measure from the books and records of the company and from their servants, we think the Shevlin-Clarke Company has defrauded the province of large sums of money," says the report. "In our opinion, such proceedings should be taken by the Attorney-General for the punishment of those who have committed forgery and perjury as the evidence submitted herewith may justify. We also recommend that proceedings be taken to recover from the Shevlin-Clarke, Limited, of Fort Frances, the sums of money unlawfully withheld from the province, and for the cancellation of the license for berths 45 and 49 in the Quetico Forest Reserve."

The two berths referred to were given to the company under license by Hon. G. Howard Ferguson on August 30, 1919, without notice to the public and without competition as required by the regulations of the department then in force. The commissioners, in commenting upon Mr. Ferguson's assumption that he had a right as minister to deal with such matters regardless of that regulation, point out that there is no provision in the statutes or regulations allowing an exception to the clear provisions set up in the regulations, and assert that the issue of the license by Mr. Ferguson was a violation of the law of the province.

Proper Returns Not Made

The greater part of the interim report is devoted to showing how it was possible for the Shevlin-Clarke Company to get millions of feet of lumber for which they made no return to the Crown. It emphasizes the extent to which the province was dependent upon the honesty of the cullers, and then goes on to show how the cullers appointed by the government were appointed. The commissioners do not comment upon the contradiction in the statements of Mr. Mathieu and Hon. Mr. Ferguson. The former maintained that he had the patronage for the district, while Mr. Ferguson declared that no member had the patronage in his department—Mr. Mathieu or anyone else—but they point out that the cullers at the company's operations might well believe that their appointment depended upon Mr. Mathieu's good will. They draw attention to the fact that some of the cullers appointed by the government to measure the lumber cut by the company were for a part of the year in the employ of the company, and one was in receipt of money from the company all the year around.

The report explains the system of keeping records, the provision calling for an oath as to the correctness of the records at the end of the season. These checks, say the commissioners, should have been sufficient to ensure a reasonably accurate return of the timber cut. "But," says the report, "the returns made to the government by cullers and by the company's servants on behalf of the company contain a great mass of perjury and forgery. In many cases affidavits were made in blank, in many cases alleged affidavits were not sworn to, and in many cases the signatures to the

affidavits were deliberate forgeries. Some of these documents were prepared and completed in the company's offices."

In the nine years from 1911 to 1919 inclusive the mills of the company produced 649,946,017 feet of lumber, but the government received returns for, and was paid on only 294,181,714, so that the company had 355,764,303 feet more lumber than appeared in the return to the government.

GRAIN SITUATION TO DATE

The Northwest Grain Dealers' Association estimates this year's crop production in the prairie provinces as follows:—

MANITOBA			
	Acres.	Bushels per acre.	Total bushels.
Wheat	2,687,000	15.1	40,573,700
Oats	1,887,000	33.6	63,403,000
Barley	865,000	22.3	19,289,500
Rye	268,000	15.7	4,207,600
Flax	62,000	6.8	421,600
SASKATCHEWAN			
Wheat	9,440,000	13.3	125,552,000
Oats	5,126,000	29.8	152,775,000
Barley	480,000	20.4	9,792,000
Rye	202,000	14.8	2,989,600
Flax	1,032,000	5.8	5,985,600
ALBERTA			
Wheat	3,644,000	17.6	64,134,400
Oats	2,906,000	25.2	102,291,000
Barley	418,000	26.	10,868,000
Rye	88,000	18.6	1,636,000
Flax	84,000	6.5	546,000
AGGREGATE			
Wheat	15,771,000	14.6	230,260,000
Oats	9,919,000	32.1	318,449,000
Barley	1,763,000	22.6	39,949,500
Rye	558,000	15.8	8,834,000
Flax	1,178,000	5.9	6,943,000

A summary of the grain situation as at October 30 is made by the association as follows:—

WHEAT SITUATION

	Oct. 30, '20.	Nov. 15, '19.
	Bushels.	Bushels.
Wheat inspected to date	59,250,000	60,329,000
In store at country points	28,500,000	24,500,000
In transit, not inspected	12,000,000	4,500,000
Allowed for seed and country mills	37,000,000	36,000,000
	136,750,000	

Balance in farmers' hands to market, 93,510,000 bushels; amount yet to be inspected, 134,010,000 bushels.

	Bushels.	In store, country points. Bushels.
Oats inspected to date	8,929,000	5,160,000
Barley " " "	2,901,000	1,720,000
Rye " " "	1,022,000	625,000
Flax " " "	772,000	500,000

The Kent Building, one of Toronto's large office buildings, has just been purchased by the Childs Co., Ltd., which has for some years past occupied the ground floor as a restaurant, for \$1,000,000.