

with what the Department has already done during the past year, as noted above, will, I am sure, speedily end any such practice. It is, of course, true that the larger the financial interest of the owner, the greater is his interest in preventing fire. Efficient fire protection can, however, best be developed by provincial organization. There are many reasons for this. Sufficient here to say that the safety of any particular tract is in a very large measure assured by work done far beyond its boundaries. In any event, the added interest of the lumberman owner in protecting from fire a limit purchased on the lump-sum-bonus plan is not a value that has been created by the method of sale. The fire hazard, which the lumberman necessarily assumes under these circumstances, is a factor which he as a business man must have discounted for at the time he made his bid to purchase the tract.

(6) Re Selling Small Quantities of Timber.

The Shevlin-Clarke case has clearly shown that larger timber sales made in recent years without public competition were not legally so made. It would appear that there is not any essential legal difference between the lack of authority for the selling of these larger tracts and the apparent lack of authority for the granting of permits to cut small quantities of timber, cordwood, ties, etc.

It is, of course, in the best interests of the forests, of the settlers, and of all concerned that the department should have a clear legal mandate to sell such small parcels at prices adjudged fair by the responsible officers of the department *without public competition*, which in such small matters would be quite impracticable; such authority should, of course, be properly safeguarded as to the amount so sold and the time and manner of removal.

(7) Notice of New Operations.

A point which has been overlooked in the administration of the forests has been a failure to require operators to notify the department before a logging operation is begun. This is desirable from every point of view, and is especially necessary from the standpoint of the fire hazard, and for the proper supervision of the logging operations and the scaling of the log output. Wide publicity should immediately be given of an Order making such notice mandatory and immediately effective.

(8) Fire Protection.

Fire prevention, and the early detection of such fires as do occur, together with efficient fire fighting, form the very foundation of all forest management.

Much progress has been made in recent years by the Department of Lands and Forests in all these matters. Prevention of fires set by locomotives will illustrate the progress made in one detail as a result of persistent and intelligent work:—

Year.	Percentage of locomotives reported defective	Per cent. of fires caused by Railways.
1917.....	28.3	49.5
1918.....	32.1	46.5
1919.....	21.8	37.0
1920.....	12.8	23.9
1921.....	8.3	14.8

The disposal of the debris incident to logging operations promises to be one of the largest problems to be solved by the coming forest administration. It is my conviction that at best fire prevention and fire fighting will, from time to time—as the seasons vary—be a losing battle so long as the brush is left to litter the ground where the future forest must be grown. For the present I am confident that a requirement that all brush lying within specified distances of all buildings, machinery, tote roads,

railroads and other points of frequent human contact, be piled and burned, is immediately justified. Such cleaning up is obviously as much in the interest of the operator as it is in the interest of the Province. I understand that a start has already been made in this matter by the Fire Ranging Department. It should be made obligatory on all operators.

(9) The Records.

It appears to me that the testimony of Mr. Grigg, the former Deputy Minister, before the Timber Commission, gives a decidedly wrong impression as to the efficiency of the bookkeeping in the Department of Lands and Forests. I am confident that an investigation by competent parties will show that while it may not have been as thoroughly modern in its form as it might have been, it has always been done with scrupulous care. During the past year the system has been much improved by the introduction of more modern methods. Mr. Grigg's testimony in this connection to the effect that with proper reorganization the Department might become "a handsome money-maker," might, I fear, convey the impression that the bookkeeping methods were such as to cause the Province a monetary loss. While this implication might not have been intended, it may be reassuring to some people to know that not a penny of the Province's money has been lost in this way. A careful checking of the system now in use leaves me with but a single suggestion, namely, that the Audit Department should widen its sphere of activity to include an annual audit of the departmental records.

Exception has been taken to the failure of the Department to promptly collect all accounts immediately when due. I am not in a position to say whether there has or has not been undue leniency on the part of the Department regarding overdue accounts, but every business man must appreciate that there are many times when a creditor's best interest is served by reasonable leniency in regard to the collection of secured debts. And I can easily imagine that there have been times during the past few years of severe business depression when the public interest could have been very badly served by the Department seizing and selling the lumber of the delinquent companies, which, of course, they have a perfect legal right to do. This could only have the effect of making a bad situation very much worse. In extending reasonable leniency in the case of secured overdue accounts, the Department is simply following the best business practice.

The Timber Commission has pointed out that the rate of interest charged on overdue accounts, namely "6 per cent. simple interest," is unfair to the Province, and, in effect, makes the Province to some extent a banker to the lumberman. This point is well taken. I would suggest that the interest rate be made to conform to current banking usage, both as regards rate and the compounding of accumulated interest, plus perhaps an additional 1 per cent. in the rate.

(10) Forest Reserves.

Several large areas of Provincial forest lands have been set apart as Forest Reserves. The statute provides that timber may not be cut on these reserved areas except when mature or when killed by fire. I submit that this leaves them on a par with all other forest lands, except that such reserved lands may not be cut over for the purpose of opening up for agricultural settlement.

It will be the duty of the forest administration to prevent the cutting of timber on non-agricultural lands, except as and when it is silviculturally mature or has accidentally been killed by fire, just as it will be their duty to see that all silviculturally mature timber is sold and cut from time to time as the best interests of the forest and the markets for wood products require.