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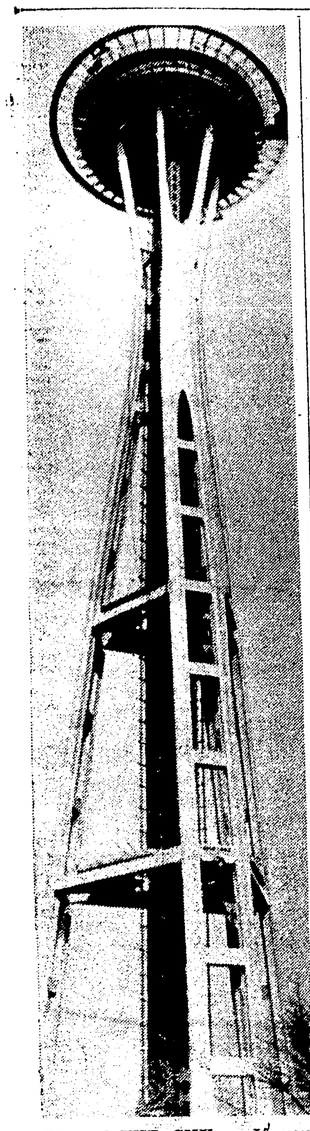
Collusion charge in Indian timber bid denied; tenders will be called again to "clear air"



PIE IN THE SKY — If you crave pie in the sky you will be able to have it atop Seattle's 600-foot space needle which towers about the site of Seattle's Century 21 World's Fair which is scheduled to open next month. A restaurant atop the needle revolves, making one complete revolution every hour. — CP Photo

Tsimpsean demands said after-thought

By ALEX MORIN

OTTAWA (CP) — It was "ladies' day" in the Commons Tuesday, featuring a windup to the first full-fledged clash between Citizenship Minister Fairclough and Liberal Judy La Marsh.

Miss La Marsh, Liberal Indian Affairs critic, thumped her desk in joy when her charge of irregularities in the awarding of a timber-cutting licence on Indian land brought from the minister an announcement that new tenders will be called to "clear the air."

To the desk - thumping, Mrs. Fairclough conceded that this was "the best applause I have had from the opposition since I have been in this post." But she denied the Niagara Falls MP's charge that there was collusion in the award of a licence for cutting timber on Tsimpsean No. 2 Indian reserve north of Prince Rupert.

Miss La Marsh made the charge Monday night during debate on Citizenship Department estimates. She said the award to Shoreline Lumber Company of Vancouver was a case of "obvious, bare-faced collusion" involving an employee of the federal Indian affairs branch.

The Beaufort tender included a reforestration project, a $500,000 access road and timber-cutting over some 12,000 acres. The successful bid included neither of the first two items and would have cut lumber only on 4,760 acres, Miss La Marsh said.

The Indian band now refuses to let its timber be cut unless the provisions of the Beaufort tender are assumed by any party who is awarded the licence, she added.

Mrs. Fairclough said the Indians' demands came as "an after-thought" and that none of the things were mentioned when officials first discussed the project with them.

She maintained that these elements of the Beaufort contract were above and beyond what had been called for and that they constituted "the most flagrant and obvious example of bare-faced padding of a contract that . . . I have ever encountered."

The minister said reforestation was not necessary in that area because of the abundant rainfall, the access road was useless at present because there were no vehicles and would be a necessary part of the logging operation anyhow, and the extra 8,000 acres of bushland to be cut was mainly swamp and rock.

INDIANS 'BACK-TRACK'

Mrs. Fairclough said the only reason new tenders were being called was that the Tsimpsean Indians had back - tracked on their original requirements for the government - arranged contract.

". . . In fairness to the Indians, who are after all the owners of the timber, we have no alternative in my view but to cancel the original call . . . and start over," she said.

Officials now are negotiating (Tuesday) with the Indians to determine the terms of the new call, she said. "This time we had better get them in writing."

Miss La Marsh said awarding the licence to Shoreline was a case of political patronage and that collusion arose out of the fact the department's chief forester in Vancouver, Paul Brett, is a former employee of F. J. G. Johnson, one of Shoreline's directors.

The only other bidder, Beaufort Industries Limited of Victoria, was willing to pay $2,237,925 in "cash or kind" while Shoreline bid only $792,000 "plus some fringe benefits," she said.

Kelly says government "broke faith"

VICTORIA (CP) — Well-known Indian churchman Rev. Peter Kelly Tuesday night brushed aside charges that his people had gone back on their word in a timber - cutting pact recently concluded by the federal government.

At the same time, Mr. Kelly, United Church minister of the Nanaimo Mission, hurled some charges of his own:

- He accused the federal government of "breaking the faith with the Indians on Tsimpsean reserve number two by not consulting them before timber-cutting rights were awarded;
- Warned Citizenship Minister Ellen Fairclough that Canada's Indians would exercise their franchise for the first time in the next election and would not be likely to forget the "shabby treatment" they had received from Ottawa;
- He sharply rebuked the federal government for an attitude which failed to take into account the feelings of the Indians on the reserve.

"Don't they think our people are capable of thinking for themselves?"

Mr. Kelly said that the band on Tsimpsean reserve, 25 miles north of Prince Rupert called the Indian superintendent immediately they learned that timber-cutting rights had not gone to Beaufort Industries of Victoria, the high-bidding firm.

The interview, said Mr. Kelly was highly unsatisfactory to the tribal council and a resolution was forwarded to Ottawa on behalf of the band asking that the government's award be rescinded.

"Now", he said "the minister says we are backtracking. Nonsense! The people on the reserve hadn't even been consulted."

He added that the Indian Act makes consultation with the tribal council obligatory in such matters.

The minister said that a special meeting called on the reserve Tuesday night was attended by B.C. Indian Commissioner J. V. Boys.

Rev. Kelly said he expected it to be a meeting Mr. Boys would not soon forget.

REAL BEAUTIES IN BERMUDA: They have graceful, slender lines; they're as fair as a bright sun on a cloudless day; they're delicate, magnificent creatures. That's what the residents of Bermuda think about them. But they also like flowers, and in this case their own Bermuda Easter Lilies which have become a traditional harbinger of spring.

Councillors meet with commissioner

By WILLIAM MERCER
Daily News Staff Writer

Indian Commissioner for British Columbia J. V. Boys, today denied emphatically a statement by Liberal MP Judy La Marsh that there was collusion involving an employee of the Department of Indian Affairs in the granting of a licence to cut timber on the Tsimpsean Reserve, north of Prince Rupert.

In an interview with The Daily News this morning Mr. Boys said Miss La Marsh's charges were "utterly false and not deserving any other comment."

MET VILLAGERS

Mr. Boys arrived late by plane yesterday and went to Port Simpson, headquarters of the Tsimpsean band, on the Chilco Lake. The Port Simpson band is the owner of Indian Reserve No. 2, on which the timber in question was to be cut.

Accompanying him were Paul Brett, chief forester for the Indian Affairs Department and G. D. Ewen, officer in charge of the Skeena Indian Agency in Prince Rupert.

Mr. Boys met with the Port Simpson village council headed by Chief Edward Sampson and said the meeting was "congenial, harmonious and constructive."

LEAVE NO DOUBT

"The Indians wish to re-advertise the timber leaving no doubt in any prospective purchaser's mind as to the terms and conditions of sale," Mr. Boys said.

In reply to a charge by Rev. Peter Kelly in Nanaimo that "the federal government had broken faith with the Indians by consulting [illegible] timber - cutting rights [illegible] awarded," Mr. Boys said:

"No . . . the band council met many times with department officials and decided on what terms part of their timber should be sold."

He said that the villagers were "also provided with copies of the advertised terms of sale."

Other questions put by The Daily News and answered by Mr. Boys are as follows:

Q. Is the statement by Mrs. Fairclough that the Natives backtracked on the original requirement for the government arranged contract correct?

SOME DISAGREE

A. An element of the band appears to be in disagreement with the bands council's decision and this is causing the difficulty.

Q. Mrs. Fairclough said Indian demands such as not letting timber be cut unless the provisions of the Beaufort Industries Ltd. tender are assumed by any party who is awarded the licence is an after thought. Is this correct in your opinion?

A. "In my opinion it is."

Q. Is Mrs. Fairclough's claim that the Beaufort Company padded the contract with their generous offers true?

TERMS DISTORTED

A. The straight forward original terms of sale under which the timber was originally offered were completely distorted in the Beaufort bid.

Q. Is it correct that reforestation is not necessary in this area?

A. "The professional opinion of the B.C. Forest service is that natural reforestation is readily obtainable by following proper logging methods.

Q. Miss LaMarsh has said that the collusion arose out of the fact that the Indian Affairs Department's Chief Forester Paul Brett is a former employee of F. J. G. Johnson, one of Shorelines directors. What about this?

A. "The Indian Affairs Branch was fortunate to secure the services of this outstanding forestry officer who formerly worked for Johnson and Associates. He is a dedicated man of absolute integrity and any suggestion of collusion with Mr. Johnson is absolutely absurd."

Q. Why was Beaufort Industries Limited with their bid of $2,237,925 in cash or kind rejected over the bid of Shorline of $792,000 plus some fringe benefits?

DIFFERENT DEAL

A. "Beaufort's bid was for a very much greater volume of timber. It was not based upon terms and conditions of sale offered by the Indians. When the two bids were reduced to the same common denominator, the Shorline bid was in all respects more advantageous to the Indians.

Q. What are your plans in this matter?

A. "Our plans are to render every assistance to the Port Simpson villagers to formulate [illegible] they can re-advertise the timber in the near future."

From Port Simpson, Daily News correspondent Thomas White reported that Mr. Boys, Mr. Brett and Mr. Ewen had met with the band council last night.

Mr. White said that Chief Edward Sampson was chairman for the meeting and Thomas Gosnell spokesman for the council.

LICENCE HELD UP

Mr. White said Mr. Boys told the meeting he had received a telephone call from Mrs. Fairclough in which she said that the granting of the timber cutting licence had "been held up".

Mr. White said that Mr. Brett had remained in the village today to help the band council draw up a resolution with regard to the re-advertising for tenders on the sale of the timber which is situated north of Tuck Inlet and behind Port Simpson.

New Democratic Party-CCF headquarters here reported today that Frank Howard, MP, had been in touch with Mr. Boys, on his way up here.

Pioneer dies in Vancouver

A Prince Rupert pioneer, Mrs. P. W. Anderson, died Tuesday in Vancouver General Hospital after a lengthy illness.

Mrs. Anderson, who lived here until recently, arrived in Prince Rupert in 1909.

She is survived by a brother, Sydney Beard of Olympia, Washington, a sister, Mrs. Lila Claghorn of Anacortes, Washington, and two grand daughters Linda Anderson of Queen Charlotte City and Jean Anderson of Vancouver.

Funeral services will be held Thursday afternoon.

Nishio inquest re-set March 22

An inquest set to continue tonight into the death of Kayzi D. Nishio who died November 22, 1961 as a result of a car accident, has been postponed until March 22, Deputy Coroner R. B. Smith said today.

The car in which Nishio was riding collided with another vehicle on Highway 16. The accident sent four other persons to Prince Rupert General Hospital with severe injuries. Nishio died several hours after being admitted.

Nishio, 39, who lived at 1435 Eighth Avenue East, was a well-known professional photographer and employee of Columbia Cellulose Company, Limited.

The inquest will reconvene at 8 p.m. March 22 at the Prince Rupert General Hospital where a witness, Duncan Chiu, will be questioned, and will be concluded at City Hall.

SACKVILLE, N.B. (CP) — Liberal Leader Pearson says his party soon will announce a proposed national health program.

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News Briefs

GENEVA (CP) — The United States is expected to put forth a new three-stage disarmament plan Thursday when the 17-nation disarmament conference here holds its first working session, authoritative sources said today.

ALGIERS (CP) — Secret army terrorists attacked a French riot police barracks in Algiers at dawn today, firing rockets and machine-guns for 45 minutes at the big building. Riot police quartered in the building returned the European terrorists' fire.

PARIS (Reuters) — France today confirmed all troops to barracks in the Paris area and cancelled all leave as French and Algerian negotiators headed into the eighth dy of ceasefire talks.

BERLIN (Reuters) — For the third day running Russia today filed flight plans for Soviet planes to use the air corridors by which commercial airliners link West Berlin with West Germany. Western sources said that the Russians had filed plans with the four-power air safety centre here for four Russian planes to use the air corridor to Hamburg tonight.

ADULT ADMITS POSSESSION

Two juveniles charged with break-in at hotel

Two 16-year-old juveniles have been arrested and charged with the weekend breaking, entry and theft at the New Royal Hotel and an adult has been charged with being in possession of stolen goods from the same place.

One juvenile appeared this morning before Judge of the Juvenile Court E. T. Applewhaite and was remanded until Friday. The other was scheduled to appear in Juvenile Court this afternoon.

The adult, Leslie Lloyd of Prince Rupert, who appeared before Magistrate E. T. Applewhaite is magistrate's court this morning, was remanded until March 27 for sentence after he pleaded guilty to being in possession of $35 taken from the New Royal Hotel.

Police seeking person who saw car which crashed

RCMP have issued an urgent plea to the driver or passengers of a car believed to have passed another vehicle which later crashed March 2, to get in touch with them immediately.

Police have reason to believe that a car, thought to be proceeding towards town, on the Co-Op Road, passed the other vehicle which subsequently crashed on the Cemetery Road, killing 16-year-old Cecilia Grant of Kitamaat Village.

Manuel Batista of Kitimat has been charged with criminal negligence in connection with the incident.

City building up slightly

Construction in Prince Rupert during February was slightly up over January and also for February last year, Building inspector J. C. Ewart reported today.

There were 54 building permits valued at a total of $57,754 issued last month compared to 29 permits worth $57,110 in February of last year and 37 permits valued at $56,355 in January of this year.

Of the 54 permits, one was for residential dwelling for $10,000; 11 additions worth $26,776; 33 alterations and repairs for $15,108 to make a total of $51,108.

Seven permits totalling $2,870 for commercial buildings included one addition for $500 and six alterations and repairs for $2,370.

One other permit was issued for alterations and repairs worth $1,000.

One new residential permit was issued for $10,000 this month, whereas in February 1961, there were two issued for $31,000.

Prince Rupert has now gone 6 days without a fatal traffic accident and 347 days without a fire fatality.

Court quashes impaired charge

A charge of impaired driving against a city man was dismissed in magistrate's court by magistrate E. T. Applewhaite yesterday afternoon.

Leland Haney Cyr of 1430 Piggott Avenue represented by Gilbert Hogg, QC, had pleaded not guilty to the charge March 10 and was remanded until yesterday for trial. The charge was dismissed because of insufficient evidence.

Cyr was charged following an incident about 1:45 p.m. March 3 when a car he was driving was in collision with a car owned by Damade Parent of 712 Taylor Street.

508 licences for dogs issued

A total of 508 dog licences have been issued this year to date at a value of $1,172, Poundkeeper A. E. Vell reported today.

During February alone, he said 240 dog licences were issued netting the city $582.

Mr. Vell said that during last month 25 dogs were impounded of which 16 were released. Pound fees totalled $72.50.

During the month five dogs and seven other animals were destroyed.

DON'T GIVE FIRE PLACE TO START

Residents urged to aid City cleanup

Spring clean-up around the home is largely a "do-it-yourself" job, but there are some things the average householder is better off not trying to do himself, Fire Chief E. W. Becker said today in urging everyone to take advantage of the city's free debris pick-up service during Clean-Up Week March 27 to 30.

The chief gave this list of "do's and don'ts" for home fire safety.

- Do a thorough clean - out of closets, basements and attics. Get rid of cast-off clothing, old draperies and lamp shades, discarded mattresses, papers, and workshop accumulations such as scraps and paint cans.
- Do spruce up the yard — clear out last fall's dried grass and weeks, and any other quick-burning trash.
- Do replace frayed extension cords, clean and oil appliance motors and power tools — but leave new wiring and appliance repairs to competent electricians.
- Don't tinker with your furnace or stove — have them cleaned, checked and repaired by trained service men.
- Don't allow flammable cleaning fluids in your home—use only safe materials or send your things out to professional cleaners.
- Don't by any means, give fire a place to start. That is the whole point of Spring Clean-up, Fire Chief Becker said.

WEATHER

Cloudy tonight. Rain Thursday. Little change in temperature. Winds light tonight southeast 20 Thursday. Low tonight and high Thursday 36 and 45.

Daily News Readings:
Temperature at noon 52
Barometer, falling 29.0

TIDES

Thursday, March 15, 1962
(Pacific Standard Time)

High	09:10	17.5 feet
	22:38	16.5 feet
Low	03:14	0.8 feet
	16:10	6.2 feet