

A long list of bills was given third reading, including Hon. Manning Doherty's measure to aid in the grading and packing of fruit and the Attorney-General's bill regarding probation officers. Some of Hon. F. C. Biggs' legislation also received third reading, but his bill providing for capitalization of motor license revenue was held over, as H. H. Dewart, Southwest Toronto, said he wished to put himself on record by a motion to have the bill referred back to committee.

York Township Bill.

Consideration was deferred by Committee of the House of the bill to incorporate part of the township of York. Hon. Mr. Henry suggested that it might stand over until the township had seen the bill and was assured there were no difficulties in it to overcome.

In answer to a question by Joseph McNamara, Riverdale, Premier Drury said that it was not the thought of the Government to reinstitute the bonus for the Civil Service.

HUSTON WANTED MONEY TO SPEND DURING ELECTION

Mysterious Advance From Backus Company Dis- closed at Inquiry

Fort Frances, Ont., May 15. — E. W. Backus, President of the International Falls Pulp & Paper Co., was the first witness called at the opening session of the Royal Commission of the Province of Ontario, inquiring into charges against the Attorney-General's Department, arising out of the death of Captain Orville Huston of Winnipeg, here last December.

Mr. Backus declared Huston was not responsible for the reduction of pulpwood rates to Fort Frances from Manitoba points, as had been claimed by the deceased, and produced a telegram from Hon. F. B. Carvell, Chairman of the Board of Railway Commissioners, to Captain Huston, stating that the rate reduction asked was impossible.

Huston Hired by Backus.

The witness also produced correspondence between Captain Huston and himself, in which the deceased had been engaged for three months at a salary of \$250 per month, his duties being to try and get rates reduced on pulpwood, and on getting this the International Company would undertake to buy 25,000 to 50,000 cords. A telegram from Huston to Backus, stating that the International Company would buy 10,000 cords only, and making, in consequence, what the witness claimed, in his reply, "a bulldozing threat," was also read.

Mr. Backus stated also he thought that Huston believed he had obtained a reduction.

At the opening of the court Gordon Waldron, K.C., counsel for the Ontario Government, read a letter from J. S. McRae, barrister, of Winnipeg, offering to give evidence and stating his relations with Huston. Huston had stated to McRae that he was in Backus' employ, but that Backus could not fire him, as he, Huston, had too much on him.

H. S. White, K.C., counsel for Mr. Backus, questioned him as to the wire of December 11 sent Mr. Backus in which Huston stated that only 10,000 cords of pulpwood would be purchased and asked Mr. Backus what he thought of the threat. The witness said he thought it was bluff. Dealing with freight rate reductions Mr. Backus stated that the suggestions that there should be an attempt to secure freight rate reductions were Captain Huston's own. Backus never made a suggestion along that line.

Denies Huston Had Hold.

Regarding the statement that Backus could not fire him (Huston) Mr. Backus emphatically declared: "Huston had nothing on me; any person in our employ or with whom we have had transactions can publish on the front page of the newspapers all our relations."

John Monaghan, Comptroller of the Minnesota and Ontario Paper Company, produced a payroll extract and all cancelled cheques paid to Captain Huston, including expense accounts. On December 5 \$500 had been advanced to Huston, who claimed he had had the approval of S. W. Backus and A. D. George for this advance.

A letter from Huston referred to the need of payment of this sum to someone "before the day of the elections." The letter concluded that if the payment was not approved he (Huston) would personally stand the loss.

The December Surprise.

S. W. Backus, Vice-President of the Backus companies, produced a letter authorizing Huston to buy not over 10,000 cords of pulpwood. A letter from Captain Huston, dated December 9, to Mr. Newcombe, one of the officials, was read. It referred to the defeat of the Conservative party, which came as a great surprise, but remarked that the Senate was still Conservative and that Senator Sharpe was Leader of the Senate.

Regarding the \$500 advance, Mr. Backus stated he had never heard about the advance until after it had been advanced. A telegram from Huston at Ottawa, dated December 1, saying: "Have made arrangements, but it costs \$500," was produced. The witness did not know what it referred to.

Mr. Waldron then went through a letter written to Mr. Newcombe on December 9, in which Huston resigned, owing to the fact that he thought the United States was getting the best of the rates deal. After his resignation he proposed, according to the letter, to go into business with Senator Sharpe in the pulpwood producing business.

\$500 Clinched the Deal.

The \$500, the letter went on, finally clinched the deal at Ottawa. The letter concluded by a postscript that he was going to file all correspondence with Premier Norris, J. W. Daffoe of The Manitoba Free Press, and F. B. Carvell of the Railway Commission; as he was being put in a false light through the company buying only 10,000 cords instead of 25,000. In the event of the company deciding to buy 25,000 cords, he would like an immediate answer, otherwise he would hold up the proposed freight rate reduction.

The witness, S. W. Backus, then related a long-distance conversation on Monday, December 12, and Huston agreed to come down. No mention of strong-arm work or force was made. There was no foundation for Huston's alleged remarks that strong-arm work would be used against him. The witness said that neither he nor his father, nor anyone he knew of, procured anyone to kill Huston. He also declared his firm had taken no part, so far as he knew, in the election here during 1919.

To Mr. White the witness said his wife and a Mr. Williams were in the office when the long-distance telephone talk with Huston in Winnipeg was held.