In these days of high stumpage values it was our opinion the tariff rates existing when we came into office were not in keeping with those charged by owners of private lands, accordingly we raised the rates on spruce from \$1.50 to \$2.50 per thousand, other lumber in proportion. The increased rate has been well received, so far as can be ascertained, by the licensees. The renewal rate of \$8 a square mile annually has been left the same.

During the year arrangements have been made for the placing of five parties in the field, whereas last year there were but three. These parties completed the survey and inspection, under forestry methods, of 925,000 acres, which is now being tabulated and mapped in this department. The total area surveyed so far amounts to 1,245,000 acres, or 161/2 per cent. of the Crown lands. While the cost of labor and supplies has increased from last year the cost per acre of the survey makes a very favorable showing. The figures are as follows: 1916, \$27.20 per square mile; 1917, \$27.07 per square mile. The total amount expended since the inception of the survey is \$44,574.57.

There has also been introduced in the New Brunswick Legislature, important measures with the object of giving greater protection to the forests of the province and to stop the wastage which has been going on for years. In speaking of the proposed new Acts Hon. Mr. Smith said in part:—

Stop Deterioration

The most casual observer could note that the forests are failing. It would take only a visit to the rivers or mill ponds to see the change that had taken place within a comparatively short time, in the size and quality of the saw logs. Fir, which a few years ago was left standing in the forest, had come to a compromise thirty or forty per cent. of the operations. This was prima facie evidence that the spruce was being depleted rapidly. In the early days of New Brunswick, white pine formed the most valuable part of the forest,

and huge quantities of that timber were exported to Great Britain. White pine failed to reproduce to any extent and little remains in the province at the present time. Later spruce was in demand. Large mills and scores of portable mills were operated to meet the demand for spruce and in consequence of the indifference and the wasteful methods of the jobbers, spruce fast was going the way of the pine.

Scalers' returns from 1910 to 1917 inclusive give a total cut of 2,228,-337,215 feet, an average cut of 275,500,000 feet per year. This would indicate that the present assumed commercial softwood stand is about eighteen times the average cut of the last eight years. This did not mean that the softwood would be exhausted in eighteen years, because the annual growth was applied against the annual cut.

An annual growth could be expected on the greater portion of the timber estimate given before, and also on under size spruce and fir, which would be in the vicinity of 5,000,000,000 feet. Some of the undersized timber would reach commercial size in eighteen years. The average annual growth would apply to not more than five million acres.

Supervise Scaling

The outlook for a large return for the present logging season was not promising. From the information at hand the cut would not be more than fifty per cent. as compared with last year. One of the first questions that the government had taken up was the unsatisfactory method of obtaining a true account of the lumber cut on Crown lands.

The general principle, he said, was to pay the scaler a flat rate of seven and one-half cents per thousand on the logs he scaled, this presumably being thought an incentive to the scaler to get as large a count as possible to remunerate him for his activity. However well this may look in principle, in practice it is not borne out.

We have therefore decided to commence building up an outside service