

the operator has no stumpage to pay; he bought his lands at a minimum price. He has also this advantage over the New Brunswick, at all events over the North Shore operator; he can get his freights at a less rate. It is a much shorter run across the Atlantic from Nova Scotia ports, as a general thing, than it is from Northern New Brunswick. At all events they get them at a very much less rate.

Latterly an effort has been made to induce the International management to give reduced rates on lumber to St. John and Halifax, in order to admit of ocean shipment from those points in winter, but so far the efforts have been unsuccessful. While the rate of freight on lumber from St. John to Boston runs from \$2.50 to \$3 and averages not more than \$2.75, the ruling rates from the northern ports range from \$4 to \$5, averaging about \$4.50 per M. The freight on laths from St. John to Boston is from 40 to 50c. per M. The rate paid from Bathurst last fall was 80 to 90c., practically double the rate paid from St. John.

Referring to the New Brunswick and Nova Scotia deal trade the speaker said that for the same specification the Nova Scotia exporter gets as good if not a better price than the New Brunswick exporter, while at the same time he has the advantage in freight and stumpage. We are not here, he said, to ask you to discriminate between the southern parts of the Province and the Northern parts. But we are here asking you to reduce the rate of stumpage, and in support of our application we cite the disadvantages under which the trade at the north is carried on compared with the advantages enjoyed by the people of the southern sections of the Province. We urge that as an argument in support of our application. We tell you in a word, that the trade cannot afford to pay \$1.25 per M. There is capital lost in the business every year and unless something is done in the way of giving relief to the trade more capital will be lost and more financial misery will be felt in the country. We ask you to place us more on even terms with our competitors. We ask you to allow us to live in the business and not to allow us to be driven out of it, as we are being fast driven out. I repeat that the trade cannot afford to pay \$1.25 per thousand, and we say it is the duty of the Government, having regard to the general interests of the Province, not of the North Shore particularly, but having regard as I say to the interests of the whole province, to come to the relief of the trade, and I think we have shown you by this memorial, and in a very crude way by what I have stated, that the trade needs relief, and we have shown you to our satisfaction that we believe it is your duty to grant that relief. I am sure you have no desire to see the trade of the North Shore continue in its crippled condition. One of the arguments that has been used in opposition to the application of the trade for relief is that you need the stumpage for revenue purposes. Well, we say you should adjust your expenditure in such a way as to prevent the necessity of imposing on one industry of the Province alone the maintenance of the public services. The trade of the North Shore is in earnest in this matter. It is a matter of financial life and death to them. It is a matter of dollars and cents, and unless the Government grant relief there can be only one opinion, one feeling in the minds of those engaged in the trade, namely that they are unjustly dealt with and we will not cease to urge upon this Government or any other Government the necessity for relief. I do not propose to take up any more of the time. I feel very earnest about the matter; I wish I could present the case in as clear a way to you as I feel in earnest about it. I am largely engaged in the trade; my all is in it, and I feel with my brethren in the business that we have a very strong case and that the Government should come to our relief and reduce the rate of stumpage to figures nearly equal to those paid in the Province of Quebec and elsewhere.

Mr. J. B. Snowball said: We can prove that on the North Shore our business has been very diversified, that few, if any, that have prosecuted the timber business on the North Shore have prosecuted it as a sole business. In my case I invested \$117,000 in the timber industry, which I made in other ways, and I do not consider it worth 25c. on the dollar now. There has been a gradual impoverishment of timber shipping interests of New Brunswick for the last 13 years. But it is upon us on the North Shore that the burden falls particularly strong. Where does the timber tax of New Brunswick come from? I find according to the returns of the Province of New Brunswick for the year 1887—the last season for which any report has yet been issued—that in that year you collected the sum of \$87,155, from the lumber interests of the Province. Where did that sum come from? Why, gentlemen, nearly one-half of that amount or \$40,864 came from the county of Northumberland, alone. The exports of the Province of New Brunswick in lumber that year amounted to 250,000,000 feet of which amount Miramichi only exported 68,000,000 and yet Miramichi paid nearly one-half of the entire stumpage tax and the other half came out of the remainder of the Province. Now, does it not look glaringly and appear an outrage that Miramichi must pay upon 68,000,000 of logs, half the tax upon an export from the Province of 20,000,000?

You talk about the stumpage on private lands being \$1.50 per M. But what is the stumpage now collected on Crown lands? It has always been said that we agreed a few years ago when the regulations were changed to pay \$1.25 on certain conditions. I maintain that we never did agree to anything of the kind. We asked for a long lease, the long lease was granted us, and it was made a condition by the government, not by our consent. It was not a bargain with us, but an arbitrary act on the part of the government. They raised it then in 1884 from \$1 per M. to \$1.25 per M. and in 1883 they retained what we had paid as mileage rates, in addition to the stumpage rates. In 1883, when the stumpage was 80c. and mileage was added, the exports of lumber from the Province paid, as seen in the Public Accounts, a total of \$1,124 per M. to the government. The second year, under \$1 stumpage we paid, including mileage, \$1.15 1/2. In 1885 was \$1.49 1/2 the stumpage and mileage combined. In the year 1886 it was \$1.48 1/2 and in 1887 it was \$1.55 1/2, and for this year we have not the returns. Where does the value of the timber lands owned by the government come from? It comes from the improvements we have made on the streams and on the mills we have built on the tributaries. If it had not been for those

mills who would ever have paid you \$1.25 or \$1.50 for stumpage? By the building of those mills we gave a value to Crown Lands of the Province that they never could have possessed; they never could have possessed it but for the vast amount of capital we put into the country, never supposing that such a tax would be placed upon us. The Crown Lands, you will yourself admit, are getting very much cut away, and, in my own case, to get 20,000,000 off the lands held by me. I have to cut them to their utmost capacity consistent with the outlook for future years. The fact is I am doing just as little business as I can possibly do, consistent with the plant and facilities and capital invested that I have about me. The fact is that the lumbermen of the North Shore are just staggering along, making now the last desperate effort, and that is just what has brought us here; we want to see whether you are determined to crush us right out at once and finally, because that is just the position this thing is in.

It is very well for shippers on the North Shore to complain and say that they are paying \$1.50 per thousand stumpage, but we are very easy and don't make returns for more than about one-half of what they cut. I am prepared to state that on the North Shore as a rule we do pay in full. To show the injustice of any such statement as that, we under pay, that the exports of the last year of which we have the official returns, 1887, show that there were 68,000,000 of lumber cut on the Miramichi. There was 32,700,000 feet that paid stumpage, and 30,708,000 feet were cut off private lands and probably a few million more concerning which I could not get information. Out of the 68,000,000 shipped in 1887 9,000,000 were deal ends and small stuff, leaving only 59,000,000 of merchantable lumber shipped. Out of that 59,000,000 of merchantable lumber we paid the government stumpage on 32,700,000 at \$1.55 1/2 per M., and there was 30,708,000 that to my knowledge came off private lands—making a total of 63,408,000 that we can prove came off private lands and off Crown Lands on which stumpage was paid, against 59,000,000 of merchantable lumber actually shipped.

Mr. Burns when he was addressing you, was questioned about the value of deals. I would ask if Miramichi deals are inferior to St. John deals? Take up any English circular and you will see to-day that St. John deals are quoted at 5 shillings a standard above Miramichi deals. If that is so are we not entitled to some consideration? If the North Shore deal when it is manufactured and put into the English market, under the circumstances Mr. Burns describes, is to be handicapped with 5 shillings less price in addition to \$1.25 additional freight upon it, have we not a claim for consideration? St. John has an open port all the year round; they are not confined to five months in the year for making shipments. They have the opportunity of getting winter freights; we have no such opportunity. We cannot get our deals carried to a port to be shipped in the winter time at any price that would possibly give us a profit. How can we take advantage of low freights? Do you know that the southern part of New Brunswick and Nova Scotia have the advantage of ships coming out to the United States with cargoes from the other side, and, which want to return freights, run into St. John and load up with deals at from 7/6 to 12/6 a standard lower than we can get them carried from the North Shore? They can load them on the scows in St. John and then load the ships just as cheaply as we can. They can load steamers in St. John cheaper than we can; but in Quebec they cannot because of the high rates of labor, but in Montreal they have cheaper labor than we have.

Another item of importance is that there are no pilotage regulations with regard to these inlets from the sea on the Bay of Fundy, no tonnage or dock dues, but the fisherman will take your vessel in for \$1.50 or something like that, while ours is a long river that must be carefully navigated, where pilotage dues and every conceivable charge must be paid.

With reference to the value of deals, Mr. Snowball said: Parshoro deals are worth as much as Miramichi deals are, and the deals that come from Sheet Harbor and Ship Harbor have as good a reputation as those that come from Miramichi or from St. John. The low freights to the American markets enable the producers of Southern New Brunswick and Nova Scotia to ship laths at say 50c. a thousand into the New England ports, while we are entirely excluded by the high rates of freight. We are excluded from the United States market entirely, we are handicapped when we go to the European market by freights; our deals are quoted in the English market at a lower price than those of St. John, and as we cannot ship our laths to the English market nor take advantage of the American market for them and our other stuff, we are compelled to saw our logs shorter.

Mr. McLellan: What do you do with the 30 foot log? Mr. Snowball: We got two fourteen foot deals, and have to lose the large slabs on the other side.

At this point of the proceedings a lengthy discussion followed between Messrs. Blair, Snowball, Smith, McKay and McLellan as to the understanding on the part of lumbermen at the time the ten-year lease was arranged for. Mr. McLellan said: when we talked of long leases I asked what the terms of the agreement were, and I was told by the Surveyor-General that the first year there would be sharp competition for licenses, and consequently the stumpage would be only \$1.00, and as the licenses would be renewed at the small figure of \$4 per mile that, then, the stumpage would be increased to \$1.25.

Mr. Burns: I know this that in agreeing to any arrangement proposed the trade were influenced by a fear that a syndicate was being formed for the purpose of buying up all the lands and it was Hobson's choice with them to accept the arrangement offered. It was stated at that time that if the trade did not agree to the terms of the Government for an arrangement of that kind that certain people in the trade were prepared to come in and buy the lands. This syndicate may have been appeased or may have changed their minds when they got the ten-year's lease of the lands. I don't know what prevented them at the time; I can only surmise that they were appeased or influenced by the fact that the ten-year's lease was agreed to.

Mr. Snowball: Mr. Burns was asked if he did not know

that there were more failures in Nova Scotia than in New Brunswick. I would like to add my opinion or statement to what he has said, that they have not been so many failures; for this reason and a good reason it is: that the timber trade of Nova Scotia is scattered over the country in small proportions, and, to a large extent is carried on by country traders and grocers and is not a business of itself, with the exception of a few instances at Parshoro, where it is distinctly carried on.

Mr. Burns stated that they sold lands in Nova Scotia for 40c. an acre well up to a short time ago.

Mr. Blair: Mr. Fielding told us they had no lands left.

Mr. Snowball: In 1883 they sold 35,000 acres, in 1884 37,000 acres and in 1885 13,000 acres, making 85,000 acres sold in three years. I asked for information and they made return to me as stated. The time has come when you should know that having battled with this stumping tax for the past 13 years we find ourselves utterly unable to compete with it any longer, and we are here appealing for instant relief from this tax that is so burdensome that it is receiving completely what is the staple industry of the Province of New Brunswick.

The question was further discussed at some length by Messrs. Blair, Snowball, Burns, Mitchell and McLellan. Mr. H. S. Miller then took up the question and said: I have here a contract entered into for this fall for getting logs up the Bay of Fundy. To deliver to the mill at the mouth of the Quoddy River where the logs will be sawn, the contract is \$3.50 per M; the cost of saving these logs, putting the deals on the wharf and into wood boats and bringing them to St. John is \$2.90 per M., so the total cost of the deals alongside ship is \$6.40 in St. John. Mr. M. continued at length and then said: I hardly think I need take up any more of your time. The necessities of the case have been put very clearly before you. Two years ago we told you plainly what would happen unless redress was given; to-day that necessity exists, and I think the gentlemen who have spoken to-night have put the case before you as strongly and fairly as they possibly could. We are in earnest in the matter; either we must close our mills very soon and the people must leave the North Shore, or some redress must be given in order that some profit may be made.

Mr. McLellan—Mr. Snowball seemed to exult in the fact that they got deals so much less in St. John than at the North; you see when you come to ask Mr. Miller you find that they cost \$8.

Mr. Miller—But the \$8 deals from Nova Scotia and Bay of Fundy points, come from lands in the same position as lands at Martinshead, on which there is a profit. The man who gets the logs at \$3.50 per thousand will make a profit on it, and so will the man who saws it, also the wood boats. With us there is no profit at all, it is all loss from the word go.

Mr. D. G. Smith was the last speaker of the Committee. After a few introductory remarks he said: The statistics of the trade show that capital which is floating—and which can be invested in other places—is leaving the country, and the natural consequence of that is manifested in a declining business. I refer in the first place, in this connection, to the shipments of deals to the United Kingdom from the Province of N. B. to demonstrate the manner in which they have declined. Take the four North Shore counties, and what do you find? In 1883 we shipped 217 millions, in 1884, 158 millions, in 1885, 126 millions, in 1886, 120 millions, in 1887, 115 millions, and in 1888, 107 millions. Down we went steadily during that period on the North Shore. From the other parts of the Province there has also been a constant decline. These figures bear out those of the British Board of Trade, but the British Board of Trade figures show that in the import of wood-goods, generally, into the United Kingdom from the Baltic ports—from Russia, Sweden and Norway—there has been a decided advance in recent years, while, on the other hand, there has been a relative decline, or hardly an appreciable increase from British North America ports. As to the equity of the proposal, to reduce the stumpage, alluded to by the Attorney General, you may remember that when the export duty was levied on the lumber shipped from the Province it was a tax which fell generally upon the whole Province; it made no difference whether the lumber was produced on private lands or on Government lands; that which paid mileage on Government lands and that which paid stumpage on private lands, alike, when it was shipped, paid this export duty, and the revenue of the Province was derived, in that way, equitable and bore evenly upon all the trade. At that time the North Shore paid proportions ranging all the way from a sixth to a third on the duty; but a change was made. The Government of that day, largely induced by representations that the export duty was a burden on the lumbering industry, and for other reasons, decided to abolish it. \$24,813.20 was the total amount collected for mileage in the year 1874—the first year after the abolition of the export duty—and that was the total government tax for the year on the lumber industry of the province. In conclusion Mr. S. said: I hope that our appearance here will not simply be a monument, and the phrasing of our claims the epitaph of the North Shore trade; and that nothing will come of it—we have been here before in the cabinet here—by memorials and resolutions—I think I may say that when we were here before you did hold out some inducements that our wishes would, in part at least, be met—you have hinted at the necessity of the revenue, but we do not see that the necessities are such that the exhausted state of the lumber trade does not outweigh them, and I think you will see from what has been presented to you that we urgently require some consideration, in order to keep our mills from going to decay, to keep the capital that can be removed from being transferred to other places, and to keep the people in the country who are engaged in farming and lumbering.

Some discussion followed the delivery of Mr. Smith's address, after which the interview closed, having lasted from 8 p. m. to 2 a. m. Mr. Blair saying that he hoped, after the meeting of Council, to be in a position to let them know what conclusions the Government had arrived at.

—Mr. R. D. Wood, Baie Verte, N. B., has begun the manufacture of hardwood butter tubs.