

St. John. The superintendent in charge of construction was Mr. Frank H. Jobson, of Portsmouth, Virginia, who has had a large experience in such work in the United States, and he has admirably succeeded in reaching Mr. Cushing's ideal as to what an up-to-date saw mill should be. The mill has been running night and day most of the time since early in the summer, and has been a success from the start, which speaks well for the management, to whom this style of mill was comparatively new. The capacity is in the vicinity of 40,000,000 superficial feet per year. Mr. Theophilus Cushing is the general superintendent

out of a fire or fires at Katrine, near Parry Sound, on the 7th and 8th of May last, when the mill and a large quantity of lumber and other property were destroyed, and some cars belonging to the Grand Trunk Railway Co. Mr. J. J. C. Thompson was the manager of the lumber company, and made a statutory declaration as to the loss, that the fire on the 8th of May was caused by embers from the fire of the previous day; also that the fires were not caused by any wilful act or neglect of his or by his procurement, means or contrivance, or by any officer of the Katrine Lumber Company. The defendant companies claimed that these statements of Manager Thompson were untrue, and that the statements about the fire, loss, etc., were fraudulently made. They claimed that if the fires were not caused directly by Manager Thompson they were the result of his negligence in not having his property properly watched, and they further alleged that his claims for damages were largely in excess of the actual losses. There being a disposition for settlement his Lordship gave counsel time to consult their respective clients, and the outcome was a settlement reached about 5 o'clock, when Mr. Osler stated:—The parties have arrived at an agreement which will involve, in the first place on the part of your Lordship, an order consolidating all the cases into one and treating them as one. In the event of the sum of \$38,000, the amount agreed upon to be paid by the defendants to the plaintiffs as the amount of the loss, not being paid within ten days from this date, judgment may be entered against all the companies in the consolidated actions for such amounts as each should bear proportionate to the amounts under the different policies as the sum of \$38,000 bears to the losses computed at something over \$39,000. And in making this statement of the agreement arrived at to your Lordship, I think it is right I should say something in regard to the circumstances leading up to the payment of the losses at this stage of the case. Shortly after the fire, in May last, a letter, which can only be characterized as a blackmailing letter—I need not specify it more particularly—was sent to the plaintiffs by a man who had occupied the position of yard foreman and general superintendent outside at the mill, making statements and insinuations, and indicating that he had such knowledge as if divulged would implicate the plaintiffs, and particularly the manager of the plaintiffs, Mr. J. J. C. Thompson, as having practically committed the crime of arson, and burning the buildings with the object of collecting the insurance. I do not think I am putting that too strongly as the charge in the letter referred to. It is only fair to Mr. Thompson to say that immediately on receiving that letter he forwarded it to the companies; that letter was received by the companies from Mr. Thompson, who sent it on with a letter stating as it was but a black-mailing scheme he would take no notice of it, but he thought it right to place it before the companies, so that they might have an investigation if they so desired. The companies did not make the investigation, but other parties who had lost by the same fire undertook an independent investigation subsequent to that. The result of that was the obtaining of statements from a considerable number of witnesses, these statements were prepared to be signed by these parties, these being witnessed by independent persons, and without passing through the hands of the persons who got them placed in the hands of the insurance companies. These statements professed to carry further the statements implicating the plaintiffs contained in the letter referred to. Further investigation resulted in further similar statements. Upon these statements the defences were placed upon the record and particulars ordered from time to time. The defence and particulars were entirely based on these statements. Since the case has been upon the list, and more particularly yesterday and to-day, I myself personally have examined and cross-examined these witnesses on their statements, and it is only fair to say that in so far as these statements profess to implicate Mr. Thompson in any way the witnesses have contradicted them; they have stated that they were not correctly taken down; in other words, they failed to bear out the statements signed by them and sent to the companies. That having been the case counsel can only say they think the evidence as it now appears to them, and as it would appear if brought before your Lordship and the jury, would show these statements were entirely without foundation in fact, and we are very glad to say that is the case, and that that would be the result of the verdict of the jury there is not the slightest doubt. Upon communication with the companies advising them of that fact the

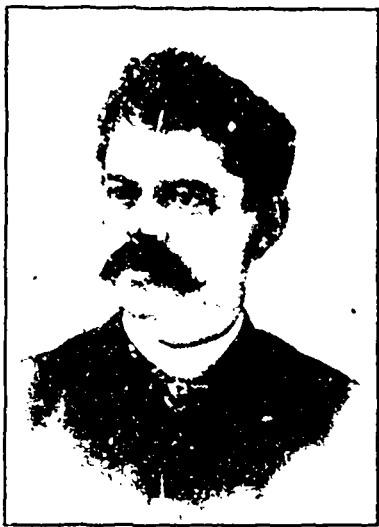
companies have instructed counsel to agree to the payment of the losses, and in saying so I may say the question of the difference of amount between the sum to be paid and the sum claimed is not to be regarded in any way as a compromise. The companies having ascertained the position in that way are paying the amount of the claim, and the amount of \$38,000 is agreed upon as the amount of the loss which the companies ought to pay here. I need scarcely add that all charges or allegations of any kind implicating Mr. Thompson in the pleadings and particulars are of course withdrawn, or charges or allegations made in connection with anyone connected with the company. His Lordship expressed himself as satisfied and directed that an order be drawn up embodying the terms of the judgment and issued.

EFFECTS OF THE PROPOSED TARIFF.

THE following communication on the proposed lumber tariff appears in the Detroit Tribune: DEAR SIR,—I notice that an attempt is being made by a large number of lumbermen in the Western and Southern States to have a duty of at least \$2 per M placed on lumber entering the United States for consumption. The lumber business is not a new industry, and should certainly now be able to stand on its merits; and I do not think class legislation of this kind can be of any possible benefit to any country. It is a general well-known fact that the lumber trade is in a very depressed condition. There are several causes for it. First, in my opinion it is the very low market price of cereals that has prevailed for several years, which would greatly lower the purchasing power of the country at large. Second, expensive habits have been gradually fostering themselves on the community until they began to exceed legitimate income, and a time for retrenchment has forced itself on the country. Lumber entering largely into any improvements at once feels heavily any retrenchment of the general expenditure. Third, manufacturers of lumber have not fully realized the contraction of the purchasing power of the country at large, and have continued the practice of getting out full stocks, causing a surplus of lumber far beyond the requirements of the market. Being mostly manufactured for home markets, it is not suitable for export, consequently large stocks have been thrown on the market at a figure below the actual cost of production. Under these conditions your lumbermen are looking to their good mothers, the tariff commissioners, to come to their rescue, and hope to enlist their sympathy by saying it is cheap labor and cheap lumber from Canada which is causing all the trouble. What are the facts? I will state a little of my own experience. I have been in the lumber business upwards of 30 years in Canada, and purchased all my stock in our home markets until 1894, when the duties on lumber were removed by both the Canadian and the United States governments. I made a tour through some of the principal lumber districts of your country and purchased a portion of my stock, and have continued to do so ever since. During 1896 I purchased nearly all my stock in Michigan, Minnesota and the Southern States, at lower prices and better suited to our requirements than any we could secure in our own country. A large quantity of lumber is shipped from our country to the United States, but it is principally from our lower provinces to the eastern markets, where the delivery is materially affected by freights. It must be to the advantage of the consumer to be able to purchase what he may require in the nearest market. Should the proposed duty be placed on Canadian lumber, certainly its equivalent will be placed on the export of Canadian logs, which will have the effect of closing a number of your large mills on the border states and stimulate its manufacture in this country. Your manufacturers again would have to meet our lumber in competition in foreign countries. We do not think the difficulties of your lumbermen would be improved by the course of legislation proposed, and verily believe that they might as well endeavor to lift themselves up by their own boot straps as to endeavor to improve their condition by the course proposed.

Yours truly,  
CHATHAM, Jan., 9th, 1897. JOHN PIGGOTT.

Mr. E. W. Bennett, of Detroit, states that the Canadians are taking kindly to yellow pine. Last season he executed a Montreal order for eight car loads of 22 x 26 x 36 ft., and also sold 2,000,000 ft. in another Canadian city.

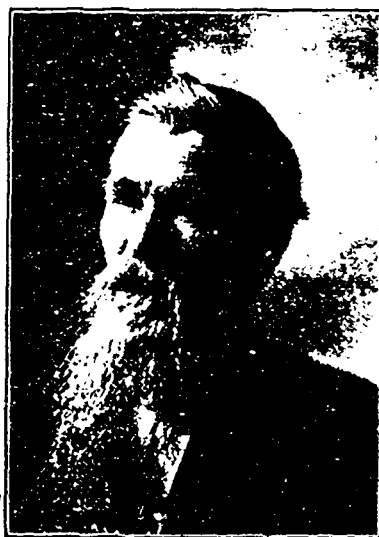


MR. G. L. PURDY, Book-Keeper.

ent, Mr. Gilbert L. Purdy the book-keeper, and James S. Gregory chief clerk. The firm are in a position to manufacture spruce lumber for any market, and being wide-awake, shrewd and business-like naturally sell where they get the best returns. Personally Mr. George S. Cushing, the chief member of the firm, is a whole-souled man, whom it is a pleasure to meet. In business affairs his boldness is nicely blended with caution. Of keen reasoning powers, good judgment and decision of character, he easily and quickly arrives at correct conclusions.

INTERESTING INSURANCE CASE.

Judgment has been given in the long-pending suit of the Katrine Lumber Co. against the different insurance companies to recover the amount of insurance on a saw mill at Katrine, Ont., destroyed by fire last summer.



MR. FRANK H. JOBSON, Millwright and Builder.

The decision is in favor of the Katrine Lumber Co., and is as follows: Katrine Lumber Company v. The Union Assurance Society, \$5,346 25; Phoenix Insurance Company of Hartford, \$2,775; Liverpool, London & Globe Insurance Company, \$17,860 65; Insurance Company of North America, \$5,000; Lancashire Insurance Company, \$8,85; total, \$39,266 90. These cases came up for trial at the Assizes at Hamilton, before the Hon. Judge Rose. Mr. Wallace Nesbitt, of Toronto, and Mr. S. F. Washington, of Hamilton, appeared for the plaintiffs; Mr. D'Alton McCarthy, Q.C., and Mr. H. S. Osler, of Toronto, appeared for the insurance companies. The claims arose