

granted to the person offering the highest cash bonus. The rentals were increased in 1895 to fifteen cents per acre, and again in 1903 to twenty-five cents per acre, subject, however, to a reduction to fifteen cents per acre upon the lessee proving that he had a mill appurtenant to his lease, capable of cutting at least 1,000 feet per day for each 400 acres included in his lease in actual operation, and cutting that amount at least six months in the year. By the Act of 1888, the Chief Commissioner of Lands and Works was empowered to grant special licenses, valid for one year, to cut timber from Crown lands. The area covered by the license was limited to 1,000 acres, and the fee paid for the license was \$50.00. Subsequently the area was reduced to 640 acres, to be taken up in one block with the boundary lines running to the cardinal points, and the fees have been increased to \$140.00 per annum for licenses covering lands west of the Cascades, and \$115.00 per annum for licenses east of this range. The Act of 1888 also authorized the issuing of Hand Loggers' Licenses—all timber cut under license being subject to the royalty of fifty cents per thousand. The Hand Loggers' license was a personal one, and only gave authority to the person named therein to cut timber as a hand logger. The fee was \$10.00 per annum and the logger had the right to cut timber from any Crown lands that were not held as timber limits under lease or license.

When the present Government assumed office, there were thus three methods by which a person could obtain the right to cut timber from Crown lands, namely, under lease, under special license, and under hand loggers' license. It was deemed advisable to simplify this state of affairs, and in 1905 the provisions of the Land Act authorizing the granting of timber leases were repealed, so that now the right to cut and carry away timber can only be granted by way of a license. The lumbermen, however, complained that they were much handicapped in their business and the industry retarded by reason that special licenses were not transferable, and only renewable at the discretion of the Chief Commissioner and not as a matter of right; that such a license gave no stability of title and that capital could not be secured under such conditions. The Government considered their complaints to be well founded, and by the Act of 1905 it was provided that licenses then existing should be transferable, and the holders thereof could elect to have their licenses made renewable for sixteen successive years at the same fees per annum as were then paid therefor, namely, \$140.00 or \$115.00, as the licenses covered lands west or east of the Cascade Mountains. The royalty payable on timber cut under such licenses was increased to 60 cents per thousand feet. The same Act provided that all special timber licenses thereafter issued should be transferable and renewable for 21 successive years. This legislation