

that of pine for the same purpose. The highest price obtained at the land sales at Quebec in June, 1901, was \$198.35 and the lowest \$36.02 for spruce limits. A halt should be called in our sales of limits at these prices. The average price charged for stumpage in the United States is for white pine from \$3 to \$4 and on spruce \$4.

Says Prof. B. E. Fernow in "Economics of Forestry," page 485: "That even these recorded values remain below the actual truth at least in certain instances, may be judged from the statement that the stumpage for white pine ranges in the States in which it is of importance between \$3.50 to \$4 per M, when in actual sales double the higher figure has been paid, and this year, 1902, millions of feet stumpage have been sold at more than \$8 per M feet stumpage. Spruce stumpage is given as ranging from \$2 to \$3, when actual sales were made at more than the latter price.

If the province wants more revenue we would recommend that the tariff of timber dues be increased. With pine sidings selling at \$42 to \$48 and spruce deals at \$44 to \$46 there is no good reason why the stumpage dues should not be increased. The prices of lumber have increased materially since 1884, and the tendency is to still higher prices.

We would also recommend that the Province should share equally in the profits of all transfers, after deduction of interest and charges on the original purchase price of the limits. The present transfer charge is too low when compared with speculative resales of timber limits. The forest is our most valuable source of revenue. The Provincial Treasury should have a fair share of this wealth.

In the case above cited of a sale of pine limits at \$5,000 per mile, the original purchaser 40 years previously paid 50 cents a mile for the exclusive right to cut. After working the limits for 40 years he sold them at \$5,000 per mile. Surely the public treasury is entitled to benefit at least in equal shares with the limit holder.