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HOW THE CITY DEBT GROWS.

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The New Brunswick Magazine.

VOL. IV.

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No 2

ST. JOHN'S MERCHANTS

Something About The Men Who Started The
Trade of This City.

By Clarence Ward

Let us take a glance at the old merchants and their times. In the scope of a Magazine article, it can only be very brief and incomplete, a mere outline, as a volume could be written without exhausting the subject. It is to be hoped that some day justice will be done to the memory of the founders of the City, and a proper acknowledgement made of their indomitable energy in establishing on this rocky peninsula a flourishing community of merchants, trading in that early day, not only with the adjoining republic, but the West and East Indies and even Africa. It has been the fashion to speak slightly of them as being aristocratic, asserting a position of superiority from

the fact, that a majority of them had served their King in arms, and assuming that the British government would support them here in ease, as a reward for the perils and privations they had undergone, but nothing could be farther from the truth. From the very beginning they were in every sense a band of workers, each doing his share of work according to his capacity. Of course the energetic took the lead, as they will on all occasions, and the faint hearted fell behind, and filled a humble position as was suited to their nature, but all were a band of brothers helping and cheering each other in the arduous task that was before them. It must be remembered that the majority of those who landed here in 1783 were comparatively young men, who on the breaking out of the American revolution, would not have been long at any business or profession, and during their period of service would not have time to perfect themselves in anything but the art of fighting, so that when they commenced their business here they had almost everything to learn. Of course all were not of the military class; very many mature men came with them, who were learned in the law, and eminent clergymen, and those who had held office under the old colonial governments in New England and New York, who left on principle on the establishment of the Republic. These applied themselves to the establishing of a system of government, and the making of laws, and it must be confessed that this class fared exceedingly well; they settled themselves principally at the seat of government at Fredericton, and appropriated to themselves remunerative offices. But the portion who remained at the mouth of the St. John were of a different stamp; they had a sturdy independence, a determination and a will to carve out a city from the beetling crags that

surrounded them, and right well did they do their duty. It is very difficult to get much information of the business done before 1800,—the earliest account books I have are dated 1788; the style of bookkeeping is very quaint, and the entries chiefly refer to the interchange of commodities, very little money being used in the trading. The commencement of business was in a small way, money was scarce, the first merchants were traders, bringing here small consignments, and exchanging with their neighbors for fish and furs and natural products. One great advantage they had, was the fact of the West Indies being closed to vessels from the United States; here was a good market for their fish and lumber when they commenced to manufacture, bringing back sugar and rum and West India produce, which they traded with the States for manufactures and domestic articles and provisions. The business part of the city was then wholly confined to Water Street, Dock Street, King, part of Prince William Street and part of Nelson. Other streets, as we know them now were only outlined on the plans of the surveyor, and the ground still covered with a primitive growth of wood. The shores of the harbor had been first cleared, as affording a convenient access for the transport of goods and necessities, and naturally stores and residences were first erected by the water's edge. The North and South wharves at first extended only as far as Ward and Nelson streets, the lower flats were occupied as stores and the upper as dwellings—in fact with the exception of a few families who were possessed of more means than the rest of their fellow exiles, and lived in residences apart from their business, it was the general custom to have the store and dwelling in the same building. At the commencement of this century a great improvement

could be noticed; the place had grown from a hamlet to a town; saw and grist mills were erected; those who had settled up the river on farms, were supporting themselves and had something to spare in exchange for articles required in their families, and firms then came into our notice that for many years bore honored names amongst us. The heated and revengeful passions engendered by the fratricidal war had begun to cool, and though for many years there was but little friendship between the Loyalists and their triumphant kinsmen in the States, yet they naturally turned their attention first to that quarter as an opening for trade, at first in an experimental manner, which gradually increased till quite a business sprang up between them. The first vessels built were of small tonnage; the shipyards were on the beach at York Point, the Market slip, and Pettingill's—they were called Sloops. I have a quaint description of a business voyage to New York in 1808, undertaken in one of these little vessels, which was then the only mode of communication. It illustrates in a marked manner the wonderful changes that have taken place in the last 95 years. A few extracts will be interesting and illustrate better than I can describe, the troubles and discomforts incurred in travelling from place to place, which are written of as a matter of course and common occurrence; how would we bear with them at the present time? "Memorandum of a tour to New York," "Left St. John New Brunswick, Oct. 14, 1808 on board Humbert's Sloop, Captain David Wey. 15. Off Mount Desert, fair wind. 16, Sunday, made the highland back of Newburyport, at sunset stood off: 17, Monday, run in through mistake to Newburyport bar, beat all day and stood off all night. 18, Tuesday, stood to the southward, until we met a

vessel out from Boston, then stood in. 19, Wednesday at 10 in the morning anchored in Boston harbor. Went to lodge at Whittington's, and took passage in the stage to Providence; got my business done with Whitney and Goodwin, and on Thursday 20, went on in the stage; at 6 o'clock in the evening arrived at Providence and put up at Ammindon's. 21, Friday, went on board Packet for New York, Capt. Westcoate, at one o'clock; at 4 o'clock in sight of Warren and Bristol (at the same time) Popequash neck divides them; went on shore at Rhode Island, a beautiful situation, but appears going to ruin; eat oysters at the sign of the Game Cock; made sail at 7 in the evening. 22, Saturday, fine wind and rain; 10 o'clock up with Eden's neck; at half past 2 came to anchor in New York; took lodgings at Mrs. Bradley's on Dey Street." Here follows a description of meeting with old friends and companions of his youth, dinner parties and entertainments, which would not be interesting to the general reader. He also meet with Mr. Hugh Johnson and Mr. Samuel Miles, St. John merchants. Mr. Johnson had a ship discharging. One entry here is significant of a momentous period in his life. Jotting down events in his diary he says,—“25 Nov. Friday, British evacuation, great military day.” On that day, 25 years ago, he had sorrowfully embarked with his regiment for the (to him) unknown shores of New Brunswick, having with him a delicate wife and child, and leaving behind, his birthplace, parents and family, and all for the sake of the cause he had fought for. It was men like him who had built St. John. He took a trip up the Hudson to his old home, and made a round of visits amongst his relatives and friends; he received a most cordial reception (many names mentioned by him are now held by men

prominent in political and mercantile life in New York, evidently descendants of those people.) There is no hint of any unpleasantness on account of the late civil war. In the twenty-five years that had elapsed, great changes had taken place in the sentiments of the people; the old rancour had died out, and he lived amongst his old friends, as though no long years of bitter warfare, and exile, had ever parted them. On returning to New York he settled up his affairs and prepared to return home, after having made a long visit. A good deal of his time appears to have been devoted to business, as many transactions are mentioned. From the following entry it would seem he had been speculating:—"Tuesday, 13 Dec. 1808, agreed with Mr. Kipp, Captain Thomas and Hatfield for cotton to be shipped by him to Boston. 14, This day paid Isaac Kipp \$2500, on account of cotton shipped by him to Boston, one half to be debt of Hugh Johnson, Esq." On the 15 March 1809 he took passage for home in the schooner Hiram. "Went through, Hell Gate at 2 o'clock and got on board the schooner. Capt. Robb and Peter Gumarian passengers; got under way and anchored at Hart Island where we remained all night. 16, Thursday, fine morning, little wind from north, at evening got under way with light wind. 17, Friday, in the morning no wind, thick fog; at 10 o'clock light wind from the eastward, Eden's neck astern five miles at 12; put about, ran back and came to anchor in Lloyds harbor at 4; lay all night, thick fog. 18, Saturday, thick fog, 10 o'clock sun came out, a little breeze from the north-west, got our boat out and went to fill a cask of water; in the afternoon thick weather. 19, Sunday, still lying in Lloyds' inner harbor, thick weather, with hard showers of rain, prospects of getting on our way; at

10 o'clock got underway with a fine breeze from west; 12 o'clock calm, 3 o'clock wind east, thick fog, stood for the north shore, tacked ship at 8 o'clock; at 2 o'clock no wind, very hard rain, 2 o'clock in the morning fine breeze from south west. 20, Monday, wind west, at 6 in the morning, the Gull light ahead 10 miles, 12 o'clock abreast of Block Island, at sunset up with Gay Head light, stood over for Tarpaulin, but night came on and dark; ran in for a light in Robinson's Hole through a mistake; lay until 12 o'clock then got under way and stood across the Sound. 21, Tuesday at 6 o'clock no wind, fine morning, drifting towards Holmes' Hole, two pilot boats came on board of us, no news; at 11 o'clock went on board of Capt. Howard, spent some time; he came back and dined, and spent the afternoon. 22, Wednesday, fine morning wind nor-west, got underway at 5 o'clock in the morning, at 6 o'clock passed the East chop of Holmes' Hole, at 12, up with the Round Shoal, wind to the east, at 4 o'clock hove to, thick weather. 23, Thursday, cloudy morning wind north east, 8 o'clock made sail, course north, at 12 o'clock, fine day, course north-east, about two knots, Capt. Robb, Mr. Gumarian and cook sick, some from the motion of the ship and others from extra drink; at sunset strong winds, banded mainsails, and lowered topsail on the cap. Robb very sick, fresh gale all night. 24, Friday, in the morning gale increased, at 8 o'clock hove to under fore sail, heavy gale south of east, lay by until 11 o'clock at night, weather moderated, made sail under fore sail and top sail on the cap. 25, Saturday, wind south west, made sail at 6 o'clock, Mount Desert bore northwest 15 miles, fine breeze, at 10 up with Machias, 11 o'clock at night came to anchor off the harbor of St. John, out small boat and came up town."

I have quoted the description of the return voyage at some length, as it illustrates in a manner of fact way the philosophical manner in which the perils and discomforts of a tedious voyage in a small vessel were endured.

Let us, however, go back some years and note the commencement of a business which was then getting prosperous, and perhaps from the glimpses given here and there, of the trials and privations, of the weary disappointments, of the failures of ventures carefully planned out, when loss meant disaster, the means to fall back on to recuperate being so limited—we will see the school in which this reliance and endurance was learned. Three years after the landing of the Loyalists, this firm commenced business; a narration of the trials and vicissitudes, good and bad fortune of the one concern will do for all, as all were engaged in the same pursuits. Fish and lumber the staple of exports, rum and molasses and West India produce, with general goods from England, the imports. No merchant of that day kept to any special line of business, but traded in anything he could find a purchaser for, in fact his place of business would be best described by what we now call a general country store. After some small ventures they agreed to make a real start in mercantile life, as the following extract will show:—

“Sept. 9, 1786. These are to inform you that I expect to go to England this fall, and if I do I shan’t be at your city until next June. I expect to bring out from England this fall, goods to the amount of ten thousand pounds, and then we will join’ interests; if you have not hired the store we talked of don’t hire it, as it is uncertain the time I will be with you, as I have a great probability of getting my half pay in

going home. I shall write you and shall prepare for fish business we talked of." The articles of partnership are dated 14th March 1787, and the goods did not arrive till the following year;—what a contrast to ordering goods by cable and ocean steamers arriving from England in 7 or 8 days. I have the original invoice before me, it would take too much space to copy it, but it is very interesting, from the variety of articles, many now gone completely out of use (tinder boxes for instance) and a comparison of prices with those of the present time. Having fairly started them in business, let us through the medium of some old letters, yellow and time stained, glean some of the trials and tribulations that beset at the outset, and of the courage and stout heartedness by which they overcame difficulties and eventually entered on a long career of business prosperity and honored integrity. No saw mills were in operation at this time, and after taking in fish it was customary to send the vessel to Machias for lumber and proceed thence to one of the West India islands; after disposing of their cargo of lumber and fish, if the markets were unfavorable for a return cargo of rum and molasses, it was usual to run over to the Carolinas or Georgia, and bring pitch pine lumber back to the islands the Americans being debarred from the direct trade.

It was the practice for one of the firm to go personally on these West India voyages and superintend the business. The cargo was sold for cash, anything left after purchasing return cargo was brought back in gold, or if not thought remunerative, the vessel returned in ballast with the whole amount in specie; it was a knowledge of this custom that caused the homeward bound track to be infested with pirates, an account of whose misdoings will be given later on.

At all times a representative of one of the old firms would be found at one of the islands or voyaging about in search of advantageous markets. They were continually meeting and exchanging information, and often the only tidings heard in months from absent ones, was by a letter brought by some returning vessel. The following extracts describe in simple and graphic language, the mode of transacting business and the trials and disappointments often encountered :

“Wilmington, North Carolina, Feb. 17, 1790. I am here after a tedious passage, and find everything very dear, and am not determined where I shall go next, but believe to the West Indies ; from there shall come home ; you may look for me in May. I hope Caleb is smart in collecting and taking care of our business at home ; things go bad enough here, markets are low in the West Indies and expenses very high ; am very glad I am with the brig or I should not own a stick in her by the time she would return. We had a terrible passage out—lost all of six weeks, in a gale most all the time which did us much damage. I sold at Barbadoes, and think it the garden of the world, both for climate and society. I got so fat with good wine and pleasant entertainments that you would not know me, unless you can remember how I used to look when at Harlem in the year 1778, clear of all scurvy complaints and aches, that I am subject to in that base part of the world you are in. I have no offers for the brig and shall be obliged to return with her as likewise Tony.”

The next letter is a continuation of the same voyage, dated “Grenada, St. Georges, May, 18, 1790. I believe I shall go to New York as a small freight offers, if so this will arrive before me. I can't send any fruit by Capt. Matthews as he stops at St.

Christopher, and am at a stand whether to send any rum or not. I wrote you last by Capt. Bowen. I have no news to say, as I told you in my last of the bad markets that have attended me since I left home and are like to continue. It is so late before I can get the proceeds of my cargo, that it would be too late to sail for St. John before the hurricane months, and I am going to New York with some freight; you may look for me the last of June. I have never heard one word from you since the Sunday morning we sailed, which seems an age, as time hangs heavy while I am sinking money. Tell brother to be steady and smart in our affairs, and he shall go next voyage. I have visited all the Windward Islands and find it a delightful part of the world such as you have no conception of, but I am heartily tired of rambling, and wish the day would arrive when I could sit down with my family in peace, but I am afraid there is no such time near for me."

[Continued Next Month]

Many men have made money in St. John and then left the city to spend their accumulations elsewhere, forgetting altogether the place and people which gave them their start in life. There is but one institution in St. John the gift of a former citizen, who expatriated himself—the Wiggins Male Orphan institution. The only other institution founded by a man who accumulated wealth in St. John, is the Home for Incurables founded under the will of the late W. W. Turnbull. One man of St. John birth who has made his money away from the city and who remembers its people, is David Russell. Twice he has sent large contributions to the poor of the city—first 500 barrels of flour and the other day 1,000 barrels which have just been distributed among deserving families who will hear with pleasure of Mr. Russell's continued success.

THE CITY'S FINANCES.

A Sketch of The Rise, Progress And Present
State of The Debt of St. John.

By John A. Bowes.

SECOND ARTICLE.

The debt of St. John did not reach its present dimensions of nearly four and a half million dollars at one bound. Its growth was gradual—slow at first but in later years more rapid. Figures that would have appalled the rate payer of a quarter of a century ago roll glibly off the tongue of the man who makes the loans for the requirements of the present day. At the beginning of the city its rulers never thought of mortgaging the rates. They were content with mortgaging the property of the corporation. From 1785 to 1820 the city had gradually accumulated a floating debt which in the last mentioned year amounted to £3,505. There were no bonds in those days the Council not then having discovered the ease with which they could shelve their liabilities on future generations by simply issuing bonds.

Prior to 1822 the corporation of St. John seems to have met its most pressing obligations with cash allowing those which were not pressed to stand. The

assessment was not large and was principally represented in poor rates, police and fire protection. The salaries were largely paid by the fees which the officials charged for their work. Fire and police protection cost only a trifle and the roads were kept in repair by statute labor. There were no regular police—only a night watch, and the various civic services were of a primitive character. The uneven topography of the city necessitated large expenditures for road making and it was for this work that the early city debt was principally incurred.

The establishment of the Bank of New Brunswick in 1820, seems to have given the creditors of the city a different idea of the value of the obligations for in 1822, at which time the debt had risen to £4,214, it had assumed the form of promissory notes which carried interest. That is to say a portion of it did, for the city then issued what was known as corporation scrip. This was paper currency of small denomination mostly five and ten shilling notes, which passed current in trade and bore no interest. Of this class of notes that were in circulation in 1823 a total of £272. In 1826 the city debt was increased £1000 for the erection of a market house and the purchase of a lot of land for a watch and engine house. The following year what was known as No. 2 engine a small hand affair—was purchased and large rock cuttings made for street improvements. These expenditures were spread over the following year when the debt had reached £8,780.

A spasm of economy seized the corporation the following year, as no work was done and the close of the year showed a reduction in the debt of £228. Street improvements made in 1830 swelled the debt to £10,198 at the close of that year. This work was

carried on quite extensively during the next seven years and the debt was more than doubled for at the close of 1837 it was reported to be £23,028. The first city bonds were issued in 1831 and the debt of 1837 was largely in this form, though many promissory notes were still afloat and the corporation scrip which was mostly of the five shilling denomination was still in circulation. During this period the city passed through a severe financial crisis and in the year following suffered seriously from fire.

The year witnessed the beginning of the agitation for better communication between the East and West sides of the harbor. Small boats and scows were the only ferries in operation and there was a strong demand for a steam ferry service. During that year the council purchased from John Johnson the lot at the west end of Princess street for a ferry landing. For this lot the sum of £1,250 was paid. Market houses were erected on both sides of the harbor, for in that period of the city's history many farmers living on the western side of the St. John; did all their business in Carleton and did not cross the harbor at all, the farmers living along the Kennebecasis had a practical monopoly of the East side market. The steam ferry boats were contracted for in 1839 the Legislature of New Brunswick making a grant of £1,250 towards the improved service. The cost of celebrating the coronation of Queen Victoria £455, instead of being contributed by our generous fore fathers themselves, was conveniently added to the city debt, which in 19 years had been multiplied by 14. But the biggest year of all—the red letter year of the past generation of debt creators—was 1840 when no less than £25,266 was added to the debt in one year. In 1828, the only year in which there was any decreased of the debt since it

had a beginning William Black was Mayor and he was also Mayor in 1840—the mayors at that time were appointed by the Executive Council at Fredericton. In addition to this large increase in the debt the city in 1840 received a grant of £1,000 from the Legislature to assist in defraying the cost of widening the mill bridge which then, as now, was the only thoroughfare between the city proper and the North end—then Portland Point and Indian House. The other important works of 1840 were the extension of the Carleton breakwater towards which the Province contributed £500 and the completion of the ferry approaches on the East and West sides for which there was another Legislative grant of £2,750. For a ferry approach on the West side the city purchased the Carleton mills property at Sand point for £5,751, besides another property in the same locality from Mount & Vanhorne for £1,267. There were the first civic expenditures at Sand point where the city has now an investment reaching in the direction of three-quarters of a million of dollars.

The rate of progress of the city debt, had been so rapid for a few years that the revenues of the city—which in theory were to provide the interest—could not kept pace with it. The crash came in 1842 when the whole property owned by the city was advertised for sale by the sheriff. Between 1839 and 1842 the debt had increased from £42,811 to £91,711 or more than double. This was what the official records showed but the actual condition of the city was much worse than these figures would show. In June, 1842 a local Marine insurance company which was a creditor of the city to the amount of £21,600 for principal and interest brought suit and secured a judgement against the city for that amount and costs, and the pages of

the Courier, then the leading paper of the city were filled with a description of the city property which was to be sold by the sheriff to satisfy their claims. The effect of this action on the citizens and the Council can be imagined. It was an issue that had not been expected. There is very little in the official records to show how the interest on the debt had been met in the past. Such matters seem to have been left entirely in the hands of the officials over whom the Council, elected by the people, exercised but little control. If a claim for interest was pressed a promissory note was made. In some instances these notes were paid, in others they were allowed to stand until big enough to transform into a bond which the creditor, in most instances, was willing to accept. The accounts of the city were in a delightfully muddled condition and failed to show all the liabilities of the city. Such was the state of affairs which the Council found themselves face to face with a judgment the city could not pay, and at the same time surrounded by an angry horde of smaller bond holders who demanded their interest and security for their advances.

In the emergency the first thing the Council did was to order an audit of the Chamberlain's accounts, which was duly made and is reported on the minutes of the Council of August 1842. This statement was a rather grewsome exhibit. The gross liabilities of the city are stated at £115,252 and the assets at £11,261 showing an indebtedness of £103,991. Included among the liabilities was a claim of £13,200 made by the Chamberlain for advances due him. This claim produced a lively discussion before its adjustment the Council reducing it to £497, at which sum it was finally settled. Pending the enquiry

into the chamberlain's accounts the Marine insurance company which had obtained judgement in June agreed on July 28th not to push the claim to a final settlement if satisfactory security was given.

A committee of the Council was appointed to wait on Governor Colebrooke to solicit his assistance to float a loan in England to pay off the local creditors, and another committee was appointed to wait on the creditors and offer them a mortgage on all the real and personal property of the city to be redeemed within one year should the Council succeed in negotiating the loan. This seems to have been satisfactory to the creditors, but the effort to borrow money in London failed, notwithstanding the good offices of Governor Colebrooke,

On September 20, 1842 the Trust Deed was signed and is a formidable document setting forth the various creditors of the city and fixing the interest at 5 per cent. Under the Trust the trustees collected all the revenues of the city and paid them out to the creditors. In 1843 the trustees paid the creditors interest at the rate of 2 per cent; in 1844, 4 per cent. in 1845, 3 per cent. and in 1846, 5 per cent. The accumulated interest was added to the debt which in 1845 amounted to £115,366. Mayor Lauchlan Donaldson then hit upon the happy idea of assessing the citizens for the deficiency in interest and obtained legislation in 1846 to this end. This act prevented the city from incurring further indebtedness and authorized an assessment of £1,000 annually to meet the deficiency of income, to pay the interest on the city debt. The passage of this act closed one of the most exciting and critical periods in the history of the city.

But no power on earth—not even an act of the legislature could prevent the debt of St. John from

growing. In 1850 it had increased to £122,279—there having been an issue of £4,000 in that year for water purposes, and in 1852 there was another increase of £5,000 towards the construction of Reed's point wharf. The addition to the debt for this purpose was the direct cause of the separation of the financial interests of the East and West sides of the harbor, for in the following year 1853 the Deed of Settlement between the East and West sides of the city was signed and each portion of the city was afterwards free to assess its own people for further improvements—St. John East assumed as its portion of the debt £110,453 and St. John West £20,000. It has always been claimed by the people of Carleton that they got the worst of the bargain, and the portion of the debt they were made to assume was out of proportion to the expenditure made on their side of the harbor. This may have been true in 1853, but Carleton greatly benefitted in later years by the Deed of Settlement, as her people escaped all assessments for ferry purposes and after the passage of the School law received about \$5,000 annually from the East side towards the support of schools.

The next important epoch in the history of the city debt was in 1856 when the refunding of the 5 per cent. bonds issued under the Trust Deed was commenced. This was done under an act of Assembly which increased the interest on the bonds to 6 per cent. While the refunding was going on it developed that the unpaid interest which had been added to the debt between 1842 and 1856 amounted in the total sum of £22,029 or 22 per cent. of the whole debt. There was but little increase in the debt between 1856 and 1860. In that year the Carleton water works were started, bonds to the amount of £26,590 being issued for

that purpose. Legislation was also procured in 1858 to issued bonds for street improvements and in the succeeding 20 years all of these bonds fell due and were paid.

Extensive harbor improvements were commenced in 1860 and continued for several years. These included increased accommodation at Reeds Point the purchase of the Pettingill property, the erection of the Public wharf and pier and the Pettingill wharf. These improvements cost in the neighborhood of a quarter of a million of dollars, but the whole of this expenditure with the exception of \$50,000 was met out of the revenues derived from the properties themselves. For several years the interest and sinking fund for \$50,000 of this expenditure was assessed on the citizens. This issue of bonds, now reduced to \$48,000 is not due until 1911 but for several years the revenues of the harbor have been used to pay the interest and sinking fund, so that no assessment has been levied. The most important public improvement of 1861, was the construction of the Union and St. Patrick's street sewers—a much needed work. In 1862 decimal currency having been adopted for the province the debt is stated in dollars and cents—that of the East side being put down in that year at \$484,954. The West side, debt is given as \$88,400—the additions made being for street and wharf improvements on the West side, during the decade following the Deed of Settlement. In 1864 the city purchased two fire engines in the United States, and made a good bargain as gold was then worth a premium of 34 per cent. in the States, which was deducted from the cost price. Up to this year the fisheries which had been disposed of by lot among the freemen of the city were appropriated for the Civic revenue, and as a consequence

the people of the West side incurred a liability of \$10,000 for a public hall. The years 1865 and 1866 had no large expenditures, but in 1867 \$9,678 was spent in widening Cross (now Canterbury street) between King and Church streets and Carleton spent \$13,287 on its streets for which debentures were issued. Western Extension railway was commenced and the city of St. John subscribed \$60,000 towards the stock of the enterprise for which bonds were sold. The sinking fund for these bonds was to have been provided from the dividends from the stock—but there were never any dividends and the \$60,000 is now a permanent addition to the city debt. St. John or Water street was extended in 1868 and cost a large sum of money and the Saxby gale of October 6th, 1869 did damage to Reed's point wharf which cost \$9,942 to repair, for which bonds were issued.

The year 1870 was an important one in the Civic history. It was in that year that the Commercial bank building, on the site of the present City Hall, was purchased and the Carleton Branch railroad commenced. The Pettingill purchase already referred to was made in this year and the North and South wharves repaired. In 1871 when all these works were completed the debt of the city stood at \$761,181 for the East side and \$145,000 for the West side. In 1872 the Lancaster leases were purchased and the harbor improvements commenced in 1860, were practically completed. In the following year the purchase money of the Commercial bank building was paid off. There is nothing important to chronicle between 1873 and 1877 excepting the construction of the market building which was completed in 1875 and \$120,000 added to bonded debt.

The fire of 1877 caused a heavy loss to the corpor-

ation. A great deal of property owned by the city was destroyed and the percentage of insurance was small, amounting in all to \$28,500. Not only did the corporation suffer large direct loss from the fire but the Water and Sewerage commission also lost much valuable property as did the School Trustees. Up to the fire the debt of St. John had always been under a million, now it reached an excess of that amount. It would be difficult to say just what the fire of 1877 cost the people of St. John but it was responsible for a direct addition of \$260,000 to the city debt. This money was expended in restoring public property, relieving ratepayers from assessments on property burned up and widening public streets. The only new buildings erected were the police building on King street east, police cells on Prince William street, No. 1 engine house and the ferry toll house and the City Hall. Some of this debt has already been paid and the rest falls due in 1918. At the close of the year 1878 St. John experienced a period of great depression and the corporation revenues suffered correspondingly. Money came so slowly into the city treasury that salaries and accounts remained unpaid and there was an impression among the older residents that the experiences of 1842 might be repeated. More than usual interest was manifested in the election of 1879, and the result was the introduction of new and more conservative men into the Council chamber. Immediately after the elections the Common Council started in to make enquiries about civic management but it was not until February 1880 that the public were made aware of the actual condition of things. All expenditures had been stopped, so far as could be, salaries were reduced and a resolution was passed to issue no more bonds. But most important of all, a

vigorous campaign for the collection of back taxes was commenced and in 1882 the work had been so well performed that the cost of all the important services of the city were kept within the estimates and many matters which had been pending for a long time were adjusted. No additions were made to the bonded indebtedness for six years, until 1885 when Mill street was widened. There were short time loans made in 1886 and 1888 for various purposes—that of the last mentioned date being for street paving, but there was no addition to the debenture debt of the city. Then came union in 1889.

The Union Act imposed an additional debt of \$120,000 on the new city—for the construction of a highway to Indiantown and for street improvements on the West side. For 10 years St. John city had been governed in a most conservative manner and better methods were being introduced of doing the civic business. The fact that the debt was being steadily reduced and that the expenditures were kept fairly within the estimates was a hopeful sign. Portland on the other hand had been badly governed. Its Council was a veritable bear garden. Loose methods prevailed in the general management of its affairs in all departments. A debt was being piled up with startling rapidity and the sinking fund to meet this debt went out as quickly as it came in. The debt of the United city at the close of 1889 stood as follows :

St. John East and West	\$1,114,286
Portland	138,020
Water & Sewerage Commission	1,343,421
Carleton Water Commission	131,000
Trustees of Schools	200,000
New Issue after Union	11,500
	<hr/>
	\$2,938,227

There was issued during the years 1889 debentures amounting to \$32,700 while there was paid off debentures amounting to \$27,800 so that the increase in debt in the first year of Union amounted to only \$4,900. But the new Council had not yet become fully acquainted with each other.

In 1890 the total amount of debentures redeemed was \$132,140 but there was funded in the same year the sum of \$117,500. The year's operations therefore show a reduction of \$14,640. Of these \$58,000 was for 40 years and the remainder expire in 15 and 20 years. So far the debt of the United cities had not been increased but the following year's results show an increase of \$67,200 in the debt, as the new issues amounted to \$100,000 and only \$32,800 of old debt fell due, and of this \$10,500 was refunded. The increase in the debt for 1892 was \$158,536 new debentures to the amount of \$188,500 having been issued and \$29,964 of old issues paid off. It was in this year that the first debentures in connection with Sand Point improvements, amounting to \$115,000 were issued. The new debentures issued in 1893 amounted to \$157,000 of which \$123,000 were for Sand Point improvements.

The year 1894 signalized the victory of the Tax Reductionists and a complete change in the election of aldermen—the old system of ward representatives giving place to a Council elected by the vote of all the citizens. The Union wharf was completed in 1893 and these were no expenditures on capital account. What is known as the Sterling Loan was floated in that year for the purpose of redeeming debentures falling due in 1895, amounting in the total sum to \$606,091. This loan was floated in London by the Bank of Montreal at £99 16s 9d for each £100. It

bears interest at 4 per cent. and runs for 40 years. The only new work paid for from bonds issues in 1895 was the erection of the Newman creek bridge at a cost of \$4,000, and \$5,000 expended on the Public Pier warehouse. At the close of 1895 after these extensive financial transactions the total debt of the city was \$3,026,748. In 1896 after two years rest \$90,000 of 4 per cent. city debentures were put on the local market and realized from $3\frac{3}{4}$ to $4\frac{1}{4}$ per cent. premium. This was the first year of the Winter Port and marked the re-opening of the expenditures at Sand point where a warehouse was constructed at a cost of \$16,500. Dredging which cost \$8,500 was also done. The net increase in the debt for this year was \$65,800. The expenditure for new work during 1897 were very large amounting to \$221,000 of which \$180,000 was for improvements at Sand Point; \$20,000 for the fire department and \$21,000 for extension of water and sewerage. The most important work undertaken by the city in 1898 was the laying of a new water main to Spruce lake. This work cost for the year, \$135,000. An additional \$125,000 was spent at Sand Point and other debentures, all new, were issued which swelled the total issue for the year to \$282,700—the record year for the city up to date. The total debt at the end of 1898 was \$3,516,491. The net increase in the debt for 1899 was only \$48,900 as no new works were undertaken—the capital expenditures being for wharves and improvements to the water service. In 1900 the city issued its first $3\frac{1}{2}$ per cent. 40-year bonds, the total issue amounting to \$66,500 swelling the debt to \$3,583,091. The addition to the debt for 1901 amounted to \$42,500 of which \$22,500 was for water and sewerage extensions and \$16,000 for repairs to Reed's point wharf. These latter debentures have

10 years to run the revenues of the property being pledged for their redemption. The additions to the debt for 1902 totalled \$116,000 of which \$100,000 was for the purchase and improvement of the McLeod wharf. In 1903 the debt added amount to \$75,000 of which \$41,000 was for reconstructing the warehouses at Sand point and \$25,000 for water and sewerage extensions. The total debt at the close of the year was \$3,912,003. As a result of the rapid increase in the debt the $3\frac{1}{2}$ per cent. debentures which formerly brought an average of $2\frac{1}{2}$ per cent. premium are now selling at 93.

It is only fair to the Common Council to point out that all of the increase since Union excepting that for schools, which will be dealt with later on, passed through their hands, while prior to union all of the expenditures for water and sewerage on both sides of the harbor were under the control of Commissions which independent of the Council, had created an indebtedness \$1,474,721 which was greater than the combined debt of St. John and Portland for general purposes, for which the Council is directly responsible. If looseness prevailed in the management of things under the direct control of the Common Council there was greater laxity in the management of the various Commissions—particularly that of the Commissioners, of water and sewerage for the East side. This Commission was organized in 1855 for the purpose of taking over the rights and property of St John Water Company—which had been formed in 1832 for the purpose of supplying St. John with water, but did not begin actual operations until 1838. At that time the water was obtained from Lily lake and was carried from Gilbert's mill, the site of which is now occupied by the artificial pond at the Gilbert's lane entrance

to Rockwood Park, to the Aboideau (the Marsh bridge) where it was pumped to the reservoir at Leinster street. There were no Boards of Fire Underwriters in those days and the pumps only worked three days a week, and the water was only turned into the mains for two hours daily. When a fire broke out the mains had first to be opened and allowed to fill before there was any water to quench the fire. This generally took an hour. The service therefore was not a very efficient one.

An agitation for an improved service commencing in 1849 resulted in the selection of the present site of the Little river reservoir and the laying of the 12 inch main which is still in use. The turning on of the water on September 10th 1851 was celebrated by a grand procession—the first in which the old volunteer fire department took part. The company had only 190 customers for water at the beginning and charged \$10 per family of five persons and \$2 for every additional member young or old. Horses and cattle paid \$4 each and \$10 per horse power was charged for engines.

The Common Council may have been imbued with patriotic motives and thought that the \$2 per head added to the family tax, as it grew numerically had a restrictive effect on the growth of the population, but for some reason it was decided to buy out the Company and place the management of the works as well as the sewers in the hands of a commission. The visitation of a cholera epidemic in 1854 demonstrated very clearly the necessity of a better water and sewerage service than had existed previously. Legislation was obtained to carry into execution the ideas of the Council and in August 1855 the transfer from the company to the commission, which had been ap-

pointed in June, took place the company receiving as compensation for the work already done the sum of \$134,000.

This was the beginning of the city debt for Water Supply. The next addition to this debt was in 1857, when the first of the two 24 inch mains was laid. For several years following the water expenditure was entirely for the improvements of the distribution system of the city and Portland. In 1873 the second and last of the 24 inch mains was laid, for there has been no additions to the main service for 30 years. It is impossible to give the cost of these different works, as the Commission had early formed a habit of issuing debentures, the proceeds of which went to meet deficiencies in the rates. All that is known of the cost is that in 1882, when these methods were put an end to, there was in existence bonds to the amount of \$987,471 and at the time of Union this had been increased to \$1,007,471. The average annual expenditures for water alone from the formation of the Commission in 1855 to 1889 was about \$33,000.

The laying of sewers, also under control of the Commission, which was commenced immediately after its formation is responsible for \$235,950 of the total city debt, up to Union or an average of about \$7,000 per annum. Therefore while the aldermen were increasing the debt at an average rate of \$30,000 per annum the Water and Sewerage Commission were adding to it at the rate of \$40,000 per annum or a total of about \$70,000 each year for 34 years. The average addition to the debt since Union, when all services were under the control of the Council is about \$100,000 per annum so that the present generation of aldermen have done even better than their predecessors of the Council and Commissions unitedly.

But there is still another body that has power to

add to the city debt and that practically without consulting the taxpayers. That body is the School Trustees which was organized in 1872 and in 1889 had rolled up an indebtedness of \$2000,000—an average of \$8,000 per annum. Since Union the debt has increased at even more rapid rate and now amounts to \$450,000. or about \$33,000 for each year.

From the above it will be seen that prior to Union we were able to struggle along with an average increase to our debt of somewhere in the neighborhood of \$78,000 per annum, while since Union the annual increase in the debt has been approximately \$133,000 per annum—notwithstanding that during two years of this period practically no bonds were issued at all and for two of the 14 years there was a decrease in the debt.

The total increase in the debt in the city for new works since Union amounts to \$1,425,700. Of this sum there has been expended \$788,700 for harbor improvements, \$413,000 for water and sewerage extensions, \$48,000 for the fire department and \$21,500 for other purposes. The construction of the highway to Indiantown cost \$92,000 instead of \$60,000 as contemplated and \$60,000 were spent on Carleton street improvements.

The steady increase of \$6,000 per annum for interest and sinking fund has been one of the causes of the increase in the assessment. The total increase in the assessments between 1889 and 1904 amounts to \$157,000 and of this the public debt charges are responsible for about \$80,000. It would seem therefore that the time has come to call a halt in capital expenditures, excepting where sufficient revenue is obtainable to meet the interest and sinking fund charges. The connection between the interest on the public debt and revenues and the assessments will form the subject of a future article.

LA TOUR'S BEQUEST

A Tale of Buried Treasure on The St. John
River.

By James Hannay D. C. L.

(Continued from September.)

CHAPTER III.

The narrative of Latour made so singular an impression on me that my sleep that night was much broken and filled with strong dreams. I had never had any faith in searches for buried treasure in Acadia, yet here I was about to engage in such a quest at the instance of one whom I had never seen until a week before. I was also aware that there was another cause for my mental disturbance. I had without knowing become a devoted admirer of Latour's beautiful sister Marie and experienced for the first time that uncomfortable sensation which men call "falling in love." Yet although the manners of Marie Latour were charming and her conversation most agreeable, I had no reason to believe that she looked upon me in any other light than as a useful assistant in the work they were about to engage in.

Latour was in excellent spirits when I saw him the

next morning, and after breakfast took me apart to show me the old parchment of his ancestor with its quaint inscription. The writing which amounted to but a few lines was supplemented by a plan of an island, which by outline I at once recognized as Rocky Island, showing the spot where the money was hidden. Without troubling the reader with this plan; or with the old French of the writing, it will be sufficient to give the following translation :

"Below the point of oaks in the great reach of the river are three islands, the middle one small and with rocky sides, containing an arpent of land. It lies north and south. At its south end are two large rocks twenty toises apart. From the centre of the northerly side of each extend a line twenty toises in length, north-west and north-east, and at the point where they meet you will find the treasure buried five feet below the surface in an oaken chest."

This was the whole of the writing on the parchment, It was brief, plain and business-like, and hardly needed the plan to make the finding of the treasure a matter of certainty.

"Then," said I, as I finished reading the parchment, "it seems that your ancestor's treasure is buried on Rocky Island."

"It certainly is," replied he "unless the parchment lies, for I have been to the Crown Land Office already and the plan of the island there precisely corresponds with this outline. Is it not strange," he continued, "that some old tradition should have set so many money seekers to work on that very island? Perhaps Babin in his old age, when his mind was weak, dropped some hint of the matter; who knows?"

That forenoon Latour, Marie and myself held what might be termed a council of war and settled on a

plan for the discovery of the treasure. Secrecy was necessary, but I thought it would only be right to inform the owner of the island, Mr. Zebulon Jones, and to get permission to dig at a cheap rate. In this, the Latours fully agreed with me. As for the actual labor of digging we would have to do that ourselves.

That same afternoon I succeeded in hiring a good sized sloop yacht with a comfortable cabin for a month or for the summer at a reasonable rate. Charles Latour and I were to form the crew, Marie undertook to be housekeeper and cook, for this was to be our home for some weeks. That afternoon we laid in a supply of provisions, the requisite tools for our undertaking, not forgetting some patent blocks and some line, and early next morning we began our voyage down the St. John to Oak Point. On the second day we were at anchor close to Rocky Island.

Rocky Island was no doubt covered with trees in Latour's time, but when I knew it first it was completely cleared and had only a fringe of small bushes around its margin. Now, however, it was again going back to a wilderness state, being covered with raspberry vines and small birches, forming a thicket so dense that it was difficult to penetrate it. This fact we discovered where we landed upon it—the very afternoon of our arrival, but we were able to find and identify the two rocks twenty toises apart on the southern end of the island which were mentioned in the parchment. Not far from these rocks we could see the half filled excavations where former treasure seekers had been at work.

That evening I went to the mainland to see Mr. Jones the owner of the island and obtain his permission, but that worthy man was away from

home and would be absent about a fortnight, so his neighbors told me. As he had left no one behind capable of representing him in so delicate a matter, I returned to the yacht somewhat disappointed.

"A fortnight is a long time to wait," said Latour, "but I suppose we must submit to it."

"Suppose we dig first and get Mr. Jones's permission afterwards," suggested Marie.

This spirited proposal found favor at once, and we proceeded to make every arrangement, to carry it out next day.

At daybreak next morning Latour and I were on Rocky Island with our measuring lines. We found the two rocks to be just one hundred and twenty-five feet apart, or as near to twenty French toises as may be. Then we determined the point of the equilateral triangle where the lines would intersect—and then drove in a stake, where we proposed to dig. Then we repaired to the yacht for breakfast.

Every one was naturally a good deal excited over the business we were about to engage in, and Marie insisted on forming one of the party of searchers. She was in high spirits and if at any time we felt discouraged at the severe toil we had to undergo, she soon talked us into good spirits again. We worked hard, and by the time it was high noon had got down nearly six feet, yet there were no sign of any money chest. This had a bad look, for the parchment said the chest was buried five feet deep, and we had already passed that depth without finding it.

"I vote," said Latour as he clambered out of the hole, "that we go and get something to eat. Can it be possible that we have made a mistake in the place?"

"I hardly think so," replied I, "but let us have dinner first and we will discuss the matter later."

Our dinner was rather gloomy, no one seemed to have much heart for conversation; Latour and I were, both very tired, and our hopes of success were not as high as they had been in the morning. Suddenly Marie broke the silence, which had become oppressive, by the question:—

"Does the parchment say you must dig five feet?"

"It does," replied her brother.

"Then it must mean," returned she, "French feet and you have been using English feet which are shorter."

"Happy thought," said I, "then we shall find the treasure yet."

After dinner we returned to our work full of hope, nor was it without reason for at the very first stroke of my pick it came in contact with something that felt like wood.

"Hurrah," I exclaimed, "I have struck the chest."

Latour turned so pale that I thought he would have fainted but he was speedily by my side in the excavation. The pick and shovel were industriously plied and in five minutes the whole top of the chest was exposed to view. No one said much but every one felt a good deal more than could be uttered in words.

It took us a good hour to get the earth removed from about the chest, and another hour to hoist it out of the hole by means of our block and tackle, for it was prodigiously heavy. Finally after a good deal of labor we got it on board the yacht and proceeded to open it.

The chest was a small one about two feet and a half long, eighteen inches wide and about a foot deep.

It was very thick and strong and the cover had been fastened down with large nails. It was as sound apparently as the day it had been buried and looked as if it might have kept its contents safe for another two hundred years.

The removal of the cover was my task, for Latour had become almost helpless from excitement. He had undertaken the discovery of his ancestor's treasure as a sort of life work and now that work was done, and he had in his possession the glittering prize which so many of his family had failed to win. It is no wonder that the nervous strain was too much for him.

When I at length got the cover of the chest removed we gathered around it with silent curiosity. Its contents consisted of a number of small leathern bags evidently filled with coin, and two boxes. One of these had marked upon its cover in fine enamel F. M. J., the other was similarly marked with the letters C. de St. E. Charles. Latour and his sister both wept when these old family relics were brought to light.

The bags of coin were four in number. The largest one was full of English sovereigns of the coinage of Henry VIII., Elizabeth and James I. The second contained French gold pieces of the reign of Louis XIII. In the third were Spanish and Portuguese gold coins and in the fourth silver coins of various nations. The intrinsic value of the whole as bullion was about fifty thousand dollars but its actual value considering the age and variety of most of the coins was full three times that.

In the box marked C. de St. E., was an ancient gold watch marked Claude, the work of some Dutch maker and probably the one worn by Latour's father. There were also half a dozen rough, uncut diamonds, forty

or fifty native pearls and a gold signet ring. The other contents of the box consisted of papers and included Latour's patents as a baronet of Nova Scotia granted by Charles I. of England.

But the greatest interest was attached to the other box which was the jewel box of the Acadian heroine Lady Latour. I would like to be able to describe its contents which comprised a splendid assortment of precious stones set in fine gold but I lack the skill necessary for such an undertaking. What attracted me most in the whole collection was an antique ring set with three pearls of great size and purity which had once graced the hand of one of the noblest women in history. I expressed my admiration for this splendid jewel and Latour, without a word handed to me, saying "it is yours."

There was great joy that night in the cabin of our little yacht, in which Latour's bequest was now safely deposited. There was some mirth, too when soon after dark we heard a couple of boats filled with treasure seekers landing on the other side of the island. We could hear them plying pick and spade with great industry, and under cover of the sound we hoisted the sails and got up the anchor. We had hardly completed this when a shout given by one of the party who carrying a lantern, gathered all the others round him. He had evidently found the place where we had been digging, and we could hear their excited cries as they communicated to each other the astounding news that some more successful money digger had forestalled them. A moment later they saw the white sails of our yacht, and made a rush for their boats. Whether they intended to board us, or were merely running off in terror we did not stop to inquire but bore away with a favorable breeze, and soon Rocky Island was miles behind.

But little more more remains to be told. Latour urged me to take a large share of the treasure, but I absolutely refused, an act of disinterestedness which I was able to perform with a better grace, because I had reason to believe that a more valuable treasure might be won. We deposited the treasure box encased in a brand new cover in a bank vault, and spent the summer cruising in our yacht on the river. It was the most enjoyable summer of my life, and Marie and I became fast friends, close companions and finally lovers, so that before our cruise was over she wore Lady Latour's jewel on her fingers as an engagement ring. Thus in spite of self-denial, I got a full half of Latour's treasure, for it was the marriage portion of my true wife Marie.

The Executive of the Exhibition Association have come to the conclusion that an exhibition should be held annually. As the main object of the exhibition is to bring the people from other sections of the province to St. John, exhibitions should be held as often as people can be induced to come. It has been demonstrated by experience in the past that from twenty to thirty thousand persons come to St. John when an exhibition is held. These people all spend money in the city and the retail merchants derive much direct benefit from the large crowds of visitors. Unfortunately the exhibitions have not yet been made to pay expenses and it is difficult to get annual grants from the City and Province to make good the deficit. The solution of the question of an annual exhibition lies in making it pay expenses or nearly so.

NINETY YEARS A GO.

The Story of a Trip on The St. John River by Bishop Plessis of Quebec.

The extension of the railways of New Brunswick has prevented any great improvement in the river service in the past quarter of a century, although steamers are now more numerous than ever before. But there is a great contrast between the transport of today and that of ninety years ago. Few records have been kept of the difficulties experienced by the early settlers of this province who took up land along the river. At first the canoe, row boat and scow or flat boat were the only means of transport. It is within the memory of the present generation that much of the transport on the river above Woodstock was in flat boats. Indeed the traveller of today may observe some of these boats still in use, but a few years more will see the last of them. For many years until the steamer General Symthe commenced her regular trips the only means of water transport between St. John and Fredericton was by sailing sloops. Records of this period are not numerous but among those who visited the interior of New Brunswick in 1815 was a distinguished prelate of the Roman Catholic church, Bishop Plessis of Quebec who compiled a journal of his travels through this province. This journal has never been published but is one of the most valuable records extant of the conditions of the country at that

time. Referring to the journey from St. John to Fredericton the writer of the Journal, portions of which have been translated by the late Edward Jack, says:—

Two vessels, a sloop and a schooner, go and come constantly from and to Fredericton and Saint John, carrying passengers and goods. Fredericton is three leagues below the village (Indian). The schooner was going to leave Wednesday evening, but had already so many passengers, especially so many women, that the bishop preferred the sloop, although it did not leave until the following day, Thursday, 17th of the month (August).

The St. John river (whose general course is northwest and southeast) discharges itself into its little gulf or basin by a rapid which neither boat nor canoe of any kind can overcome, either in ascending or descending, except at half-flood or half-ebb tide. When it is falling foam issues from this rapid, which spreads itself around the whole basin and collects itself around the vessels which, in great numbers, are being loaded in the harbor with wood for building. It is seldom passengers embark in the basin when they are going to Fredericton; the rapid frightening them they prefer to cut across a long point and by a path, about a mile long, to reach an English village situated on the bank of the river at equal distance from its mouth, and named Indian House, although it contains no Indians, but some inns, stores and workshops. It was there that the bishop and his suite had gone to wait for the sloop, which would arrive there at 8 or 9 in the morning, although the going on board was fixed at 7 o'clock. Its master was named "Sighi," brave and honest, a good singer of English songs, having a book often in his hand to amuse his passengers; to

these, moreover, he gave all the attention which a person should who might be left so often in charge of company. He had with him for second in command a person named "Cretton," and two negroes, which formed his crew. We found that we had 21 passengers on board, of whom four were women and four children. The forward cabin (for the after one was reserved exclusively for ladies) did not suffer all of the company to eat at one time; the passengers divided themselves into two successive parties, of which the bishop and his party had the honor to eat with the first, that is to say, with the women and children; the second party was composed of the captain, his second in command and his passengers of less distinction. Scarcely had they risen when the servants and negroes came to eat at the same place and table. No one amused himself by changing the cloth for the following repast. Dirty beds without clothes and without blankets were the lot of whoever did not wish to sleep in the common room, and in view of the other passengers, men and women who were enjoying themselves at cards far into the night. The first was so disagreeable to the prelate that he retired to his little cabin with Messrs. Broucherville and Gaudreau, which scarcely sufficed to hold them, much less their baggage which had been piled into a heap. The next night, the weather being fine and the moon bright, he determined to remain on deck where, toward morning, he enjoyed a few hours of uncomfortable rest on overcoats and other articles of apparel gathered up from one place and another; for since leaving Halifax he had found himself deprived of all his articles of night use. It was under all these inconveniences that two nights and nearly three days were to be passed in this miserable sloop which was

delayed partly by calm and partly by a little effort of the rising of the sea, a thing astonishing enough in the neighborhood of the Bay of Fundy, where the tide rises to an extraordinary height. There is a place several miles long where the water is so still whether the tide is rising or falling that it is called in a saying in the country, "No man's friend." The only disagreement which the Bishop of Quebec had in all this long and wearisome navigation was in conversation on religion with an inhabitant of the Mirimachi river, an interesting man who happened to be in the number of the passengers and who appeared at length to him to have been convinced of the sufficiency of Protestantism to lead man to true happiness, and of the necessity of embracing a religion capable of attaining this end. His name was Richard Simons. He was far the best educated, and most honest of all whom he had met on board. Unfortunately he went on shore on finding his business not calling him to Fredericton.

That part of the river St. John which we passed in these 30 leagues contained nothing very striking (sailant) with the exception of some houses, handsome enough, and some good farms, among which the establishment of Major General Coffin, brother of the Admiral of the same name, is the most remarkable. It is three or four leagues from Indian House, on the other side of the river; until you arrive there the river presents in general a frightful and wild aspect, rugged banks covered with wood. Some scattered houses seemed to have been built, in despite of nature, in clefts of the rocks. Ascending one meets on the right the mouth of the river "Kinnibeshish," where the St. John forms as it were a little lake, at the head of which is the inhabitation just spoken of. The rest of

the route presents a country monotonous enough, the cultivation of which is not much advanced, but where the farmers ought to make good profit from the hay of the numerous island, of which the river is full. One of the passengers named Gindson left the sloop on Thursday, to attend to some business which he had to transact among some individuals on the river. He returned aboard alone in a bark canoe on Friday evening about sunset to remove his trunk, which he had left there. He was very gay, having taken a little more drink than he required, without however, losing his reason. When he was leaving, in place of setting his feet in the middle of the canoe, which was alongside the vessel, he put them on the side, the canoe capsized and Mr. Gindson tumbled into the water. Fortunately there were many persons on the deck, and ropes were thrown to him. He rose, caught hold of one and again mounted the deck, but all wet and having lost one of his shoes. However little religion he might have, a man thus saved from death should have first thought of thanking God for his deliverance. He began to blaspheme, so much so, that one of the women took him to task by a little speech, which did not make him change his language. His canoe was speedily brought back and a pair of shoes given him; and he re-embarked, all wet and regained land. Saturday morning the wind changed suddenly and we promised ourselves that we would arrive at Fredericton before noon. Unfortunately Captain Sighi had a stop to make and many things to land, tar, oakum, etc, at a shanty of a country man named Morrison some miles from the city. An hour was spent in this; it could not be done in less time, but the wind which would have answered to bring us up, fell at the end of this hour, forcing us to anchor; it was accompanied

by a heavy rain which scarcely suffered us to keep on deck, and we did not arrive at Fredericton until after 4 o'clock in the afternoon.

Disgusted at the manner in which he had been served at the table, and a little humiliated by the company among whom he had found himself mixed, and which the motive for the journey alone had so far rendered supportable, the Bishop found in that day's fasting (the vigil of Assumption) a pretext for not eating on board. He paid for his delicacy by taking his repast at the same hour in which St. Fructueux of Tarragona would not have hesitated to have taken something before his martyrdom if any one had offered it to him. On being asked about the Fredericton hotels, Captain Sighi replied that there were some excellent ones, and cited in particular that which was near the landing, kept by Mr. McLeod. Scarcely had we cast an anchor, when the prelate urged Abbe Boucherville to land, in order to have dinner prepared for him at this house and to engage lodging there. This foresight was of no avail; the hotel keeper answered that his house was full of strangers; that he could give dinner to these extra guests, but he had no beds, for them to sleep in. On this reply the envoy, not knowing what to do, asked that a dinner en maigre might at least be provided for three gentlemen and one servant. Dinner was not taken until between 5 and 6 o'clock in the evening. It was maigre, even a little more than one would desired, for it consisted of but three eggs au mirior (three egg for four persons), with a morsel of butter and a measure of bad wine (about two gills) served up in a very small decanter, which they took care to call a bottle, so that we should pay more dearly for it. The whole was served up in one of those little rooms in the back where

drink was given to those drunkards who had the delicacy not to get drunk in the front part of the house in view of passers by. Before this miserable dinner, Abbe Gauvreau had been sent to look for another lodging. He found a kind of tavern a little further away, kept by the son of a Dutchman, named Vanhorn, who received him rudely, saying that he could only lodge two strangers for the night, that the chamber in front (the whole being on the ground floor) must serve as a passage for every one in the house. There was no use of arguing, they would have to pass that way, but the people of the house were discreet and the room free enough. Having only a bed for two it was necessary to consider as to what would become of the third; M. Boucherville made an offer which was accepted, which was to take a carriage and go at once to the Indian mission of St. Anne and to send down the next morning some Indian canoes to carry up the bishop. It was nearly nine o'clock in the evening when he obtained a carriage that is to say, a four-wheeled wagon, the driver of which demanded no less than \$10 to go three leagues. The night was terribly dark and the rain had greatly increased, so that it was 11 o'clock when he arrived at the house where the missionary (M. Marcoux) lodged, a quarter of a league below the village. The master of the house named Joseph Godin, an Acadian, contended, with his estimable wife, in respect and attention to strangers. This man in his youth had always shown himself so agreeable, so good, so strong-handed among those in whose service he was (the greater part English), that they had given him the surname of Hardy, which he yet retained, by which he is more generally known than by his own. His house has been for a long time that of the priests who serve this mission. All equally

praised the honesty and generous hospitality which he extends, not only to them, but even to all strangers without difference but that which he knows to make in the rank of the persons who remain with him.

So soon as M. Boucherville had made known the subject of his journey, Hardy went himself to the village, awoke the chiefs in the middle of the night and charged them to send some canoes early in the morning to Fredericton, in order to bring up the bishop, his chaplain and servant. Before six o'clock they were at Vanhorn's, who by orders of the prelate gave them a neat breakfast and sugar in their tea, after having made them sit down to the number of four around a table with a very wide cloth. We noticed that they looked at one another, and smiled at seeing themselves treated in so honored a manner and one so superior to the ordinary practice. Their good appetites made the bishop wait until 8 o'clock in the vain hope of seeing the rain end, which had not ceased falling all night. At length, he left without pain a city where he would have made a bad appearance on a Sunday and solemn fete, where he would have had no place to celebrate the holy mass nor of faithful ones to hear it, condemned to keep himself incognito all the day at the door of a Protestant church where Parson Mountain, son of the Anglican Bishop of Quebec, had arrived, in order to acquit himself of the duty which his charge of pastor prescribed to him on such a day. Bad weather is not a very good time for making observations in a country through which one is travelling. The city of Fredericton is in the county of Sunbury, one of the eight which divide the province of New Brunswick. It is on a point which the right bank of the river St. John (narrow enough in this place) forms. On the opposite shore you notice the mouth

of the Nashkoud river, whose source is not far from that of the Miramichi, which is easily reached by a short portage. Fredericton, although begun on a regular plan, and already containing a sufficiently large number of houses, yet makes but little appearance because it is situated on land, but slightly elevated and since its citizens, who are great lovers of shade, build their houses generally at the rear of their lots and darkened them by plantations of trees. They will make more show when they begin to extend on a pretty hill behind the town and which will not be slow in building up as might naturally be expected from the fertility of the land which surrounds it. This town, as old as the province, has had but 30 years of existence. Up to that time the name and the government of Nova Scotia extended equally from one side of the sea to the other bore the name of Acadia before the conquest of Canada. About 1785, it may be remarked, that this province being too large, and in order to accelerate its settlement, Nova Scotia was bounded by the peninsula formed by the Bay of Fundy and Bay of Verte, and all the rest of the British possessions comprised between the peninsula and Canada properly speaking, and then called the province of Quebec, was then erected under the name of New Brunswick into a separate province, having its governor, its parliament and all its civil and military departments. It is bounded on the south by the Bay of Fundy; on the west by the river St. Croix; then by a line extending from the south to the north to the head of this river so far as the top of the mountains, which are between the districts of Maine and Lower Canada; to the north by the river Restigouche and Baie des Chaleur, and to the east by the sea coast of Miramichi and other places so far as Baie Verte. It

is yet under its first governor, General Thomas Carleton, absent for about 15 years and replaced by presidents. This place is at present occupied by Major General Smythe, who passes the winter at Fredericton, where provincial affairs retain him, and the summer at St. John, as a more healthy and apparently more amusing place, owing to the great trade which is on there, superior to that of Fredericton.

[This story of Bishop Plessis trip from Fredericton to St. John will be given in the November issue of the MAGAZINE.]

CIVIC OWNERSHIP.

How Public Utilities Have Been Managed In St. John.

The corporation of St. John is the largest land owner in the city. It owns the harbor rights, including the fisheries and the principal wharves. It owns and operates the ferry and country market and areas of land in the parish of Lancaster as well as in city proper. Of public utilities the corporation owns and operates its Water Works and Electric lighting station. There are other buildings owned by the city but none of these are revenue producers and therefore do not

come under the general description of civic ownership, as now understood. The total value of the real estate owned by the city is put down in the City Accounts is \$2,278,020 but this includes many non-revenue producing properties. The value of the harbor on the basis of what it has cost is \$1,257,246. When the question of Harbor Commission was under consideration in 1882 the value of the harbor rights, privileges and properties was put down at \$500,000; this included the fisheries. The corporation has therefore expended about three-quarters of a million dollars on harbor improvements in the last 20 years. The valuation of the market building is not given separately, but as there are bonds against the property of \$120,000 and as the city paid \$13,333 additional to acquire a complete title to all the property on which the market building stands the value of the market may be placed at \$133,000.

There has always been a mixture of the water supply plant and property accounts and therefore it is only possible to give an approximation of the value to the city. These had cost, \$1,559,494 up to the end of 1902. The sewerage system in connection with the water supply cost up to the end of the same year, \$524,162, a value of over two million dollars, in the water supply and sewerage. The leased lands owned by the city are valued at \$347,871—lands not under lease and owned by the city are valued at \$117,059.

The ferries—well nobody knows what they have cost the city. Some years ago the present superintendent, H. Adam Glasgow wrote a lengthy article to demonstrate that the ferry had been a source of profit to the city. It is not overstating the cost to say that fully \$100,000 of the city's debt resulted from the

effort to establish steam ferry connection between the East and West sides of the harbor. As it is the ferry does not clear running expenses and therefore may be placed among the unproductive assets of the city.

The lands owned by the city, under lease, return a gross income of over \$15,000 a year and are about the only asset the city has outside of water that really shows a surplus of receipts over expenditure and it is extremely doubtful if it would not be better for the city financially if the lands were owned by private individuals and assessed at their value.

The country market at one time was a source of profit to the citizens but of late years there has never been more than enough income to pay the cost of maintenance and often not that. Civic ownership in St. John if judged by the direct financial return has not been a success, although there is another side—that of indirect benefits—which many people regard as quite as important as making the various properties pay the cost of maintenance. Right, here it is proper to explain that this article is not intended as an argument either for or against public ownership, but merely to place the facts as they are before the people.

As the people of St. John have invested more largely in their harbor than in any other undertaking, excepting Waterworks, this important item of the Common Council's responsibility will be taken up first. The rights and privileges which the Mayor, Aldermen and Commonalty of St. John enjoy in the harbor, comes to them under the charter, which gave the Corporation all the property and rights to the foreshores about the harbor, as well as the fisheries, that they might obtain revenue therefrom. No one knows what the improvements made to the harbor of St. John from

time to time have cost and no one has ever attempted to figure out how much revenue the corporation has derived from the harbor rights imparted to them under the charter. That there have been benefits is without question but the present generation know more of the responsibilities than they do of the benefits.

The value of the harbor as stated in the balance sheet—and this in a large degree means what has been expended on the harbor and wharves—is \$1,257,446. At five per cent. this investment should show a net income of \$62,875. Instead of this, the gross income from the harbor including the fisheries does not average \$40,000 annually and as repairs and caretaking show an average cost, year in and year out, of \$15,000 the net income of the harbor does not represent an annual return of two per cent. on the investment. If it were not for the fact that the past generation of aldermen were better financiers than those of today the rate payers would be called upon to make up an annual deficit of thirty-five or forty thousand dollars.

How much of what is known as the old city debt belongs in the harbor account has never been stated, but the expenditure prior to 1853—when the Deed of Settlement between the East and West sides of old St. John was signed—could not have been less than \$200,000, and if we add the value of perpetual leases, which were granted along the harbor front to those who built wharves and erected warehouses, the cost has been great indeed. For the Pettingill lease the city paid in 1870 the sum of \$23,600, and for the McLeod lease, which was originally granted to Keith & McLeod in 1857, the larger sum of \$40,000 was paid two years ago. The redemption of perpetual leases granted in the first half of the last century has already

cost the city upwards of \$100,000 and there are some more still to be purchased before the corporation controls the entire harbor frontage.

The first special issue of bonds after the city emerged from its financial difficulty of 1842 was for the erection of Reed's point wharf, and in subsequent years several loans were made for constructing wharves, the revenues therefrom being pledged for interest and sinking fund for the bonds then sold to pay for their construction. In this way the citizens acquired the original wharves at Reed's point, the Pettingill wharf, the Public wharf and Pier and to a considerable extent the Pettingill wharf. These extensive properties, worth a quarter of a million dollars at least have therefore paid for themselves and are now furnishing a revenue to help pay the cost of non-productive wharf property. In more recent years the revenues of Reed's point wharf have been pledged to pay the cost of repairs made two years ago.

The most recent investment made by the corporation, the McLeod property will cost completed over \$150,000. The interest and sinking fund on this investment is an annual charge of \$6,750 and as the property yielded the city over \$700 in taxes and ground rents on the leases, and the average repairs will be another thousand at least the returns from this wharf and warehouse must needs be \$8,500 annually to keep the account square. As this is more than is now obtained from the Pettingill wharf and New Pier together the rate payers may as well look pleasant and be prepared to contribute about \$2,000 annually towards the latest purchase of the Council. Taken together however, the string of wharves from Duke street to Reed's point will give a return of five per cent. on the invest-

ment. The remainder of the wharf property on the East side of the harbor is also fairly remunerative.

It is the large expenditure on the West side—fully half a million for wharves and warehouses alone, that is the non-productive portion of the harbor property. The net returns from this property do not average more than half of one per cent. per annum as at present managed. In other words the best that can be hoped from these wharves is that their earnings will pay the cost of repairs and furnish a sinking fund for the debt while the rate payers contribute the interest, about \$20,000 annually. The responsibility for making the harbor a non-productive asset of the City of St. John is largely due to the desire on the part of her people to have their city known as the Winter Port of Canada. The expenditures were made on the faith that the indirect benefits would more than compensate the direct loss—for loss it is.

The best producer among the public utilities owned by the corporation is the water supply. Notwithstanding the large expenditures recently made on the West side and the constant extensions in other directions, and in the face of a slightly lower assessment charge the water supply maintenance account had a goodly surplus in 1903 of \$11,755.53 against \$3,526.05 in 1902. In 1901 the accumulated surpluses for some years of water earnings, amounting to \$30,294, were appropriated by the Treasury Board to make good the over-expenditure of the Fire, Light, Street and Police departments. At the same time the Council appropriated from the General Revenue account, into which is dumped the harbor and land revenues the additional sum of \$38,618, making a total of \$68,912, which was apportioned among the accounts above stated. As the only source of income

these accounts have, is the assessment levied on the rate payers, the current expenditures were therefore benefitted to that extent from the productive assets of the city.

It is a notorious fact that the accounts, for these important services are over expended every year and the revenues from the lands and other properties were in this instance, used to make good a part of these over expenditures instead of their being applied to reducing the debt. Were it not for the fact that the corporation owned these large dividend earning assets this new century method of finance would not have been possible.

To return to the water department. The extension of the mains is continually adding to the debt and to the income. Since Union \$413,000 has been expended in water extension—the new main from Spruce Lake having cost up to the end of 1903, \$186,000. Yet without raising the rates, which are not excessive, the income from the water assessment is constantly increasing. It is made up from two sources, assessment on real estate, stock in trade and supply. In 1903 the total assessment levied was \$92,986. For 1904 the total is \$95,606.10. As showing the increased consumption of water by users it may be mentioned that the assessment for supply in 1903 was \$56,174 and in 1904, \$58,731 an increase of \$2,557. But the extensions of the supply to give a better fire pressure will require a further expenditure of at least \$200,000, meaning an extra charge for interest and sinking fund of \$10,000 per annum which means either higher rates for water or that the water department will again become a non-productive asset. The income from the water assesment in the different sections of the city is thus described :

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North	\$26,564.40
East	50,650.40
West	6,912.80
Lancaster	3,479.10
	\$95,606.70
Total	

The above table shows that the bulk of the income from the water department comes from the East side supply, where also has been the largest expenditure. From present indications it will be a long time before the West side investments on account of water supply will pay the interest on their cost, although the income for watering Winter Port steamers is rapidly becoming an important part of the earnings of the West side water supply. In 1902 the receipts from this source amounted to \$5,890, and for 1903 \$5,975.

In addition to the assessment an income of between eighteen and twenty thousand dollars is derived from large users of water whose consumption is measured by meter. From this brief resume of the water supply it will be seen that notwithstanding the bad management of past years and the lavish expenditure since Union, the ownership of the water system has paid its own way and contributed \$30,000 toward the general rates of the city.

As intimated at the beginning the Market was once a source of revenue to the corporation but at the present time and for most of the years since it was opened it has been a tax on the people. The cost of maintaining the market house including \$8,200 for interest and sinking fund is about \$12,500 annually. This pays for ordinary repairs, salaries of officials, cleaning, etc. The average income of the whole building including the rents of stalls and tolls in the market house amount to about \$11,000 per annum so that the institution is costing the rate payers \$1,500 a

year. This is largely due to a reduction made in the rentals of stalls in the year 1887. Before that the market was about paying its running expenses. For the last two years the Council has been assessing the citizens \$2,780 to make good the deficiency in the account. Few cities have a more sightly structure than the St. John market house but the rate payers have to go down into their pockets and pay for the privilege of owning it, instead of finding it a source of profit, as markets in most cities are.

The Ferry is another public utility that is owned by the city. It is an institution of many years standing and in all the years of its existence it has been a source of expense rather than revenue. For the last few years it has come nearer paying running expenses than ever before, but this year \$3,307, has been added to the assessment for ferry purposes to make good the deficit which in round figures amounts to \$1,000 a year. It is to the credit of the ferry management that the cost of maintainence has not been materially increased since Union and as the West side grows in importance as it does every year, the ferry revenue will increase, and a time may come when the ferry will pay its running expenses. There are cogent reasons why the ferry tolls, which are largely borne by the residents of the West side should be kept down, but they should never be less than the cost of maintainence of the boats and approaches.

The old City of Portland was among the first, if not the first city in Canada to adopt street lighting by electricity and for this purpose acquired a plant and afterwards erected a station on a small plot of ground on Elm street, adjoining the city building on Main street. (The power to operate the lights was first obtained by contract). The electric lighting station

was the only public utility which Portland owned at the time of Union. Although not well situated and very cramped, the municipal light station has furnished a practical demonstration that it is cheaper for the city to furnish its own light than to let it out by contract. There are 92 lamps of 1200 candle power each operated from this station at a cost not exceeding \$80. per lamp after allowing all charges for interest, wear and tear and the taxes that a similar plant would pay to the city if operated by a private company—the actual cost per lamp for the running expenses is in the neighborhood of \$60. In the Eastern division of the city, there are 142 lamps which cost \$85 each. These lamps are operated by the Street Railway Company. The total assessment for street lighting in St. John in 1904 is \$24,614 of which \$3,100 is for the West side where lights are also supplied by contract. In this division there are 31 lamps the rate being \$105 per lamp. In 1902 there were 265 lamps in the whole city and the expenditure was \$23,159, and there is every reason to believe that if the whole of the lighting were done by the city from one central station the cost would not exceed, if it reached \$75 per lamp. In addition to what is paid for street lighting the city pays out for light for other purposes the following sums:

Ferry Steamers	\$342.55
Fire Department	701.10
City Hall	240.42
Market House	467.90
Police Department	355.19
Public Wharf and Pier	106.25
Reed's Point Wharf	106.25
Street Department	26.06
Water Maintenance	91.85
Total	<u>\$2,437.51</u>

The total expenditure for light by the City of St. John is in the neighborhood of \$27,000 and there is a demand for more street lamps in several districts. It has been asked why the city does not extend the lighting from the municipal station. The answer is that the station is now working at its full capacity and there is no chance of extension at the present site. If municipal lighting is attempted on a larger scale it can only be done by constructing a new station on a new site.

The lands owned by the corporation within the city limits are a bequest of the charter, like the harbor rights, and the rights to operate the ferry and the markets. All lots not apportioned among the first settlers at the foundation of the city became the property of the corporation—at the time the majority of these lots were not considered valuable, and those that had any value—principally along the harbor front were granted under perpetual leases. The first of these leases date from 1786, a year after the charter and the rentals agreed upon were high considering the time at which the leases were made and higher than adjoining properties were rented for on perpetual leases thirty years later. The rentals of the East side lands range from a farthing a year to \$48 for a city lot, generally about 40x100 feet. The most of those lots are at the eastern end of Union, Elliot Row, King, Leinster, Crown, Princess, Orange, Pitt, Duke, Queen and other streets. The "made" ground between the shore and the Courtenary bay railway wharf is also owned by the city and when the process of filling in is completed the city will have many more lots. Already several have been rented. Some years ago the Council determined that each city lot was worth \$800, and obtained legislation authorizing their

sale at that price. As the same time the Council determined the rental of these lots at \$48 per annum being six per cent on their valuation. Very few lots have been sold as they cannot be disposed of for less than the price fixed, but many lots have been leased at a less rental than \$48.

No attempt has been made in recent years to increase the rental of renewable term leases, although many of the rentals are ridiculously low. The corporation owns more land on the West side than on the East there being over 300 lots surveyed but not under lease. The revenue from the East lands is \$6,500 about the same sum comes in from West lands.

The Lancaster lands came to the corporation under a Crown grant dated September 8th 1786. Under this grant the corporation obtained something over 1000 acres of land in the Parish of Lancaster, which roughly described takes in all that portion of the County of St. John lying between the Manawagonish road from the railway crossing at Fairville and out to the Fredericton road and then the river. This includes half of the town plot of Fairville, Union point, Green Head and the lands in the vicinity of Dunn's Pork factory—a territory larger than the area of the old City of St. John. Much of this land was rented at very low rates and the city has spent large sums buying out the improvements made by leasees. The ground on which the Lunatic Asylum stands and the large field on the opposite side of the road, about 39 acres in all, formed a part of the original grant and was sold to the government for \$8,000. The average returns from the lands owned by the corporation in Lancaster amount to to \$5,700 annually and the cost of maintenance reduces the net benefits coming to the city to about \$3,000 per annum.

The total revenue the city receives for all its lands amounts to about \$16,000 per annum and under better management this could easily be doubled. The lands are valued at something like half a million in the capital account of the city but in reality those within the city limits are worth only \$80,000, or more properly speaking that amount of realty would yield the same return if it were controlled by private parties and assessed at the present rate. The common lands may therefore be regarded more in the light of a sentimental benefit than as an actual one and their management for years shows that whatever other qualifications Common Councils, past and present may have had, they have not displayed conspicuous ability in the management of the real estate of the city. From beginning to end the fellow who had the longest arm and the strongest grasp seems to have fared best when he went to make a bargain with the Council for the use of the common lands.

The founders of the city thought they did future generations of St. John a good turn when they retained so many privileges for the benefit of the community. Perhaps they did and "the future generations" have not grasped the situation correctly. But the practical result of public ownership in St. John is a ferry debt of \$200,000 costing the present generation of rate payers \$10,000 per annum for interest and sinking fund, besides an annual deficit of \$1,000 in running expenses; a market indebtedness of \$120,000 and an annual deficit of \$1,500 in running expenses which include interest and sinking fund; A deficit in the harbor receipts of \$25,000 annually over the expenses and interest charges on the cost of improvements. The total deficiencies that the tax payers have to make up as a result of the ownership

of these three utilites amount to about \$40,000 per annum, one year taken with the other.

The surplus revenue from the lands is about \$15,000 per annum, and the water department has average surplus earnings of of \$5,000 and there is a small saving effected through civic ownership of the municipal lighting plant. Taken altogether Civic Ownership is responsible for a direct assessment of about \$20,000 on the rate payers. This is a subject to which the rate payers should give some attention, as it would not be difficult to at least make the account balance.

IN THE EDITOR'S CHAIR.

PUBLISHER'S NOTE.

The issue of THE NEW BRUNSWICK MAGAZINE for November will be published on October 20th and as promised in the initial number will consist of 80 pages several of which will be illustrated. The opening of the new home of the Public Library will be the subject of an illustrated article and if completed in time the first of a series of pen portraits of distinguished living New Brunswickers will appear. There will also be a contribution from Rev. W. C. Gaynor on a historical subject. Mr. Ward's contribution on the Old Merchants of St. John will be continued. A complete story by a local author will be another

feature. Bishop Plessis journal of a trip on the St. John river in 1815 will be completed, and the third of a series of articles on the financial condition of St. John will make up some of the principal features of the MAGAZINE for November.

ST. JOHN'S FINANCIAL POSITION.

No tax payer of the City of St. John can read the history of the debt of St. John, published elsewhere in this number without feeling that the rapid expansion of the city debt is a positive menace to the future growth and prosperity of the city. Three things are therein demonstrated; First, that the founders of the city had little regard for their successors when they began piling up a debt, as they made no provision for its redemption. Second, that when provision was made the sinking fund has more often proved inadequate than otherwise. Further that a stage has been reached when it is imperative to call a halt, If the present rate of expenditure is maintained one of two things must happen—the rates will become so burdensome that the cost of doing business in St. John will be so increased that our manufacturers and traders will be compelled in holding their trade against competition to do business at less profit. The other alternative is repudiation or a return to the conditions of 1842, when the city was practically bankrupt. As the alternative is not tenable the tax payer must continue to suffer.

In round numbers the debt of St. John is four and a half million of dollars and the total assessed value of the real estate of the city is only a little over thirteen and a half millions. This means that the

corporation has mortgaged the property of all the citizens to about one-third of its value. The whole assessable value of the city including real, personal property and income is less than twenty-six millions, so that the corporation has mortgaged the houses, the stock in trade, the furniture and the incomes of the people for nearly one-sixth of the assessed value. Surely this is a condition of facts to make the most optimistic stop and think.

The debt on the city now amounts to over \$450 for every rate payer. This means that every rate payer is responsible for interest and other charges on the city debt amounting to somewhere about \$22.60 per annum. As the taxes of more than half of the rate payers are less than this, these figures demonstrate to the large tax payers how much of their annual contributions go to the money lender for interest.

But there is a still worse feature. Since Union in 1889 the assessed value of St. John has increased only two and a half millions while the increase of debt amounts to nearly, if not quite one and three quarter millions, and the end is not yet.

There is but one bright spot in the whole business, the increase in interest charges has not kept pace with the increase in debt. Had the rate payers been compelled to pay the same rate of interest at which the older issues of bonds were funded the city would have been bankrupt long ago, if the rate of expenditure of the past 14 years had been kept up. But the limit of reduction in this direction has been reached, every dollar added to the city debt now means an addition to the taxes for interest and sinking fund charges.

It will be claimed that the city has large assets. This is true. But how are they managed? The

harbor is a dead loss, the market and ferry do not pay expenses, the water service is more than self supporting but the sewers cost \$35,000 yearly in taxes. The lands bring in a revenue but the majority of the leases are so low that the city would get more out of them in taxes, if they presented the leases free to the majority of holders. Surely this condition of things calls loudly for a change, although the half has not yet been told.

THE WATER QUESTION.

Mayor White who is the chairman of the Water and Sewerage Board of the Common Council stated the case of water extension very plainly to the general committee of Common Council and there now remains but little doubt that the water system of East St. John will be extended to Loch Lomond within the next 12 months. This was the intention in 1855 when the works were taken over by the city. It was again debated in 1872 and as a compromise measure the second 24-inch main was laid in 1873. Ten years later the water supply question agitated the Common Council. It had previously been the subject of a special report in 1882 by the late Gilbert Murdoch, who, anxious to keep down expenditures, recommended a medium course. It is not necessary to go into the various phases of the water question and the numerous make shifts—suggested and adopted to stave off the expenditure. The late Mr. Murdoch knew, and had no hesitation in saying, that if St. John were to be supplied with water by gravitation, another source of supply would have to be sought. When he made this statement there was an abundance of water coming

through the mains to supply the city—the difficulty was lack of pressure on the higher levels. There were two ways of increasing this by going to a higher level, or obtaining pressure by means of pumps. The first outlay to get to a higher level is much more than adopting a pumping system. Engineer Murdeck estimated that the cost of extending a 4 foot brick conduit to Lake Lattimore would be \$200,000. Engineer Fteley, a recognized expert in 1883 confirmed these figures. He estimated the cost of a pumping plant sufficient to supply the high levels at \$65,000 exclusive of the cost of altering the mains, and the yearly expenditure for attendance coal etc at \$4,500. A substitute plan was also suggested of a 30-inch main to Lake Lattimore which would cost something over \$100,000. But none of these recommendations were carried out.

The agitation for an improved service came very soon after Union, brought about the Silver Falls pumping station which cost one time and another about \$20,000. Then came the repairs and enlargement of the Little river dam which cost in three years \$17,000 more. In all perhaps \$50,000 has been expended in separating the high and low pressure districts and the enlargement of the dam and for the pumping station. In the end it has been discovered that while there is a sufficient supply for domestic purposes the supply for fire protection was totally inadequate and that the only remedy is the extension of the supply to Loch Lomond. No one knows what this will cost. It is easily to figure the cost of the pipe line, but the damages are something that the most gifted engineer, in these days of arbitrations, cannot even estimate approximately. At the present rate of income the water department can provide

easily for an outlay of \$20,000. Anything beyond that sum means additional taxation, part of which will have to be provided by an increase of assessment on real estate. As an indication of how the consumption of water is increasing within the limits of St. John it is only necessary to take a few figures from the official reports. In 1882 there were 6,235 families on the pipe line of the city, and in 1902, 7,314. The number of steam engines had increased 38 in the same period. There were 760 baths in 1882 and 2,034 in 1902. The number of water closets in 1882 was 2,078 and 1902, 4,874. No figures of the number of hot water boilers are given for 1882 but in 1902 there were 1,641 of these. In every direction there has been an increased consumption for domestic purposes, and as the supply has not been increased it is only reasonable to expect that there would be a shortage. The only course open to the aldermen therefore is to make the supply equal the demand and the only way to make sure of this is to go to Loch Lomond.

A general election for the Dominion Commons is regarded as an event of the immediate future. Both political parties are lining up for the fight and there are indications that the contest will be a vigorous in the province. We, who live in St. John have become accustomed to having our elections for Dominion representation decided on local issues rather than on the general policy of the government or opposition, but the present situation is so mixed that the oldest and most experienced campaigner is made dizzy trying to guess the probable results.