# RETURN

To an Address to His Honour the Lieutenant-Governor, requesting him to cause to be sent down to this House copies of all Orders in Council authorizing the allowance of a drawback or rebate on royalties on any piles, spars, or timber, with the amount of the same allowed, and the name of the company or person to whom the rebate has been granted.

By Command.

JAMES BAKER,

*Provincial Secretary.*

*Provincial Secretary's Office,*
*8th February, 1894.*

Name of company or person to whom rebate has been granted:—

| | |
|---|---|
| Hastings Saw-Mill Co | $ 6,512 31 |
| Brunette Saw-Mill Co | 139 63 |
| Moodyville Saw-Mill Co | 11,625 80 |
| Croft & Angus | 406 63 |
| Victoria Lumber and Manufacturing Co | 1,031 75 |
| Royal City Planing Mills | 350 19 |
| H. R. Morse | 499 41 |
| Slater's Mill | 12 90 |
| Webster & Co | 248 30 |

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*Copy of a Report of a Committee of the Honourable the Executive Council, approved by His Honour the Lieutenant-Governor on the 27th day of November, 1888.*

On a memorandum, dated the 19th day of November, 1888, from the Minister of Finance, that under the Crown Land Act of 1888 it is provided by section 33 that—

"The Lieutenant-Governor in Council may allow, on the exportation beyond the limits of the Province of any piles and spars, or of any timber manufactured at any mill in British Columbia upon which the royalty by this Act imposed has been paid, a drawback or rebate equal to one-half of the royalty paid upon such timber."

The Minister reports that the royalties paid in will be materially affected by the rebates on exports, and in order that a fictitious sum may not appear by showing the *whole* amount paid in on royalties as revenue, and a fictitious sum shown in the expenditure by the payment of rebates, it is deemed expedient that all rebates shall be paid by voucher, and the same debited against the royalty receipts; and the balances from time to time shown in said account shall be considered as the *net revenue* derivable from timber royalties.

That this Order shall be authority for the payment of such drawback or rebate as may from time to time be required in accordance with section 33 of the Act.

The Committe advise approval.

Certified.

A. CAMPBELL REDDIE,

*Deputy Clerk, Executive Council.*

*Copy of a Report of a Committee of the Honourable the Executive Council, approved by His Honour the Lieutenant-Governor on the 1st day of June, 1891.*

On a memorandum from the Honourable the Chief Commissioner of Lands and Works, dated 27th May, 1891, reporting—

That under authority of an Order in Council, approved by His Honour the Lieutenant-Governor on the 27th November, 1888, a rebate of twenty-five cents per M. feet has been allowed on the royalty received from timber shipped to foreign ports;

That the Inspector of Timber, a copy of whose report is enclosed with this Minute, gives various reasons why the allowance of this rebate is undesirable;

And recommending that the allowance of such rebate be discontinued on and after the 31st day of August next.

The Committee advise approval.

Certified.

A. CAMPBELL REDDIE,
*Deputy Clerk, Executive Council.*

[ENCLOSURE.]

VANCOUVER, B. C., 21st May, 1891.

*W. S. Gore, Esq.,*
*Deputy Minister of Lands and Works,*
*Victoria, B. C.:*

SIR,—I have the honour to acknowledge receipt of your letter of the 20th inst. requesting me to submit to you in writing the reasons why, in my opinion, the payment by the Government of a rebate on timber exported should be discontinued.

In reply I have to say my reasons are:—

That under circumstances as they now are the allowance of a rebate is really a bonus paid to the mills for the exportation of such like quantity of timber as they have paid royalty on, which is, I think, not the intention of the Act.

It is practically impossible to be absolutely sure that when timber has been boomed together, or sawn and mixed up in the yards with other timber on which no royalty has been paid, the timber shipped on which a rebate is claimed is actually that on which the royalty was paid.

To insist upon its being boomed and piled separately would be to increase the cost to the mills more than the amount of rebate allowed, while the expense to the Government of an efficient check that this was done would also be very considerable.

That while the payment of a rebate on timber exported materially reduces the revenue derived from royalties, it is not necessary to the continuance of that trade.

Its payment does not decrease the cost to the mills of timber when sawn and shipped more than 3 per cent. on rough timber; on dressed lumber the percentage is even less.

It does not enable the mills to accept orders which they otherwise could not do. It therefore has not the effect of increasing the quantity of timber exported; the price of logs does not, and, except in the case of an abnormal rise, would not affect the shipments; while the demand, when increased by larger shipping orders, does enhance the price of logs.

Summarizing the foregoing, my reasons are briefly these:—

1. Reduction in revenue.
2. Unnecessary to the export timber trade.
3. Has not and will not cause any extension thereof.
4. Difficulty and expense of equitable adjustment.

I have the honour to be, Sir,
Your obedient servant,

(Signed,) R. J. SKINNER,
*Timber Inspector.*

*Copy of a Report of a Committee of the Honourable the Executive Council, approved by His Honour the Lieutenant-Governor on the 1st day of March, 1893.*

On a Memorandum from the Honourable the Chief Commissioner of Lands and Works, dated 23rd February, 1893, reporting:—

That the market value of the product of the forest has greatly depreciated in value, owing in a great measure to revolutionary and financial disturbances in those countries which were the best market for export lumber trade:

That at the time the allowance of a rebate on lumber shipped to foreign ports was discontinued, the price paid was $11.00 per thousand. Very shortly afterwards the depression commenced and has continued until at the present time the price realized on shipboard is only $7.00 per thousand:

That in order to maintain their foreign connection, mill-owners have been compelled to carry on business at a serious loss:

And recommending, in consideration of these facts, that the Order in Council, approved on 1st June, 1891, which authorized a discontinuance of the payment of a rebate, be rescinded, and that a rebate of 25 cents per thousand be allowed on all lumber shipped to foreign ports since 31st August, 1891, which has paid the royalty imposed by the "Land Act," provided all arrears of royalty are paid up forthwith.

The Committee advise approval.

Certified.

A. CAMPBELL REDDIE,
*Deputy Clerk of Executive Council.*

VICTORIA, B. C.:
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