

Burke, Thomas

September 17, 1895

Hill to Burke, Seattle

I saw Col. Spaulding here on his way to N.Y. He is ready to put a large sum into a sugar refinery on Coast, but some of the parties he expected to join him in N.Y. are hesitating. Last of Sept. or first of Oct. a committee of the planters from the Islands will reach San Francisco to determine whether they will renew their contract with the Sugar Trust or endeavor to build a refinery of their own. One factor is fact that the trust bases the price in San F. upon cost of Cuban sugar laid down in N.Y. less \$8 a ton for freight & other charges. "The cost of power and fuel, which are the two main items of cost

in a Refinery is much lower on Puget Sound than at S.F. and rate of freight from S.F. as far East as Buffalo can be made lower than it has been from S.F. ... N.P. matters have taken so much of my time I could not visit Coast in Aug as planned. "If our arrangement with the N.P. bondholders is carried out by them the ~~the~~ interest rate of that road is scaled down to the figure we require, I have no doubt of their ability to handle that property in such a way as to make it very useful in carrying out the development of that country." To do so makes a line of steamers to Asia necessary to carry American flour and lumber. Much squared ~~timber~~ timber required in China & Japan - tea chests alone require over 100,000,000 ft. of lumber annually from Ceylon of inferior quality to Puget Sound lum-

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ber. Most vessels now used in that trade (flour are discarded Atlantic ships. Situation calls for vessels built especially for that trade. Great Northern and Northern Pac. business would justify building a line of steamers. It is not strange that your people are prejudiced against the N.P. "They 'sowed the wind' and are now reaping the whirlwind. No Railway Co. can afford to disregard all the ordinary business usage and prudence, either in the location, construction or operation of their Railway and no city imagines that Railways will operate at a loss for their benefit.

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