

## THE U. S. TARIFF.

The Chicago *Northwestern Lumberman* says: Pursuant to appointment at the price list meeting, September 27th, the lumbermen of this city met at the exchange, on Tuesday, Oct. 10th, to further consider the tariff question. The business of the meeting was to receive the report of a committee appointed at the meeting on September 27th, and act on it for or against.

Mr. Dean took the floor, and, as chairman of the committee, made a verbal report, reciting that the majority had adopted the address made by Mr. Dean at the previous meeting, advocating the removal of duties on Canadian lumber, and giving the reasons therefor. He said that the committee had given the address careful consideration, and had adopted it as a whole, recommending that a copy after having been certified to by the trade, be forwarded to the tariff commission. A minority—A. G. Van Schaick and Addison Ballard had objected to the conclusions of the majority, and had made a minority report. Mr. Dean, in conclusion, moved the adoption of the committee's report, with a request that the secretary certify to a copy, and forward it to the tariff commission.

A. G. Van Schaick, in behalf of the minority of the committee, then obtained the floor, and proceeded to read a report, which was as follows:—

MR. PRESIDENT:—As a member of the committee I desire to enter my protest to the adoption of the report now before the meeting, and, if in order, I will endeavor to present good and sufficient reasons in support of my position.

My first and principal objection arises from the fact that the committee does not include representatives from all the branches of the lumber trade of this port, while to arrive at correct conclusions in any matter of importance and mutual interest, all should be fairly represented. But three of the seven departments of the lumber business were included, and four of the committees are dealers, who numerically control the vote of the meeting.

The committee was called together by its chairman, and at its first meeting, in the absence of Mr. Anderson and Mr. Martin, solemnly proceeded to read from the columns of the *Northwestern Lumberman* the appeal to the tariff commission, which they presented to-day as their report, although the same paper was read to a meeting held in this room August 27, and by that meeting ordered referred to a committee. The majority of the committee present adopted it as their report to this meeting, without addition or alteration, and with a full knowledge that it was the ideas of one member of the Chicago lumber trade.

While I have a high regard for the ability of the author of the report—and his judgment and experience may exceed that of the six other members of the committee combined—I am compelled to question the correctness of some of his arguments and conclusions.

I submit, therefore, that a report which advances the views of but one member of the Chicago-lumber trade will not be sure to convince that portion of this meeting whose business it assails, and unless fully three-fourth of this meeting concur in adopting the report after adding some important amendments, it will be greatly to the interest of all present that no action be taken, but that it be laid upon the table. With these preliminary remarks, I will proceed to review the report of the majority of the committee.

From a careful study of the paper I gain some valuable information, and commend it to the attention of lumbermen generally. I also notice apparent contradictions, and an intention of concealing some important facts that bear directly on the statements made, and the suppression of collateral facts that could weaken the author's theory. While under the screen of an apparent interest in the objection of supplying the west with cheap building material, the author takes occasion to urge measures that will injure his rivals in the local lumber business, without showing that any benefit will accrue to any but Canadian timber owners. From the first paragraph of the report I quote the following:—

"We believe most earnestly that the time has come when it would be greatly to the interest

and good of the people of the United States to remove the present import tax upon lumber, which may conveniently be brought to them from the Dominion of Canada." In support of this argument we would say that the wonderful growth of the United States, and especially the development of that portion lying west of the lakes, has been due to the readiness with which cheap dwellings, barns, fences and graneries were obtainable through the plentifulness of a cheap building material, such as is found in the white pine lumber supply.

The committee and every one present are aware that the cheap building material that has been such a important factor in supplying the cheap homes, barns, fences and graneries in the West, was almost wholly supplied from mills in the United States. They also know that during 25 years past less Canadian lumber has passed the Straits of Mackinac, bound to ports of Lake Michigan, than the single port of Alpena has consigned westward during six years past, and to this time the lumbermen of the United States have fully met the demand for cheap lumber, and made the West the cheapest lumber market in the whole world.

I believe that every manufacturer present will endorse the sentiment of the committee that cheap lumber should be supplied to continue the vast improvements yet required to develop the territory west of the lakes, but they are amazed at the recommendation of the committee that it should be imported from a foreign country, which the report states cannot supply and land lumber at western ports as cheaply as similar lumber can be supplied by American mill owners.

I again quote from the report:—

The capital invested of necessity in pursuit of this industry is greater in Canada, in proportion to the extent of work performed, from the necessity to acquire the large land limits, which alone can be obtained from the Canadian Government, the American Government selling as low as 40 acres at a cost of not over \$100, while nothing less than a township is disposed of by the Canadian Government. The number of men employed is not less, per thousand feet produced, in one country than in the other, and the capital employed in saw-mills will bear the same comparison. It would be folly to assert that greater intelligence enables the Canadian laborer to perform a greater amount of work in the saw mill than does the American, while it is a fact that by improved methods and machinery, more generally adopted in this country than in Canada, the cost of producing lumber in Canada is greater than in the United States. In the matter of transportation the Canadian again labors under a disadvantage in being, in the main, and especially in the western portion of the province, whence must come a majority of the timber, at a long distance from markets, whereas the American operator can utilize lake or rail transportation at his pleasure, and with but short lines and a low freight rate. The disadvantages under which the Canadian operator labors we assert to be more than the equivalent advantages he may possess, so that it may with positiveness be assumed that Canadian lumber laid down upon the docks of Chicago, or any other large distributing centre, will have cost the Canadian as much, if not more, than the same quality of stock has cost the American manufacturer at the same point.

We assert that this timber has cost, and does cost, those who control it for utilization a larger sum per thousand than was obtained by the United States Government from those to whom the timber lands of this country were disposed; that the cost of manufacture in Canada is not below the cost to the American manufacturer; and that the average cost of transportation of a majority of that portion of the present Canadian pine which would naturally reach the United States market, is considerably in excess of the cost of placing the native product in the hands of the consumer.

An increased demand from the markets of the United States for Canadian lumber, and the increased cost to produce it, on account of diminishing supply and less accessible timber, will naturally advance prices, and it becomes a mystery to me how cheap homes, barns, etc., can be constructed to advantage from this timber, that cannot be landed at western ports in com-

petition with American lumber at twice the cost of the standing pine. It is believed by many Americans that an imported article has merit that warrants extra cost and more trouble in securing it, and wine, fine clothing, jewelry and many kinds of merchandise, are imported to gratify luxurious tastes and add to the happiness of the consumer, at the expense of his pocket. I fail to see why lumber should be added to the list, and must, therefore, dissent from the report.

The next, and to me most important statement contained in the report, alludes to the cost and value of standing pine timber. In mentioning the timber of the United States now owned by all classes of citizens, it is stated as having been donated to its present owners by the government, or having been purchased at \$1.25 per acre, and I again quote from the report:—

"In support of the first proposition, we assert that the liberal policy of the American Government, has permitted the timber lands of this country to be purchased in fee-simple at from \$1.25 to \$2.00 per acre. These lands are estimated in general to yield 5,000 feet of timber per acre, while a large proportion of them have and will yield from 10,000 to 15,000 feet per acre. The standing timber, therefore, has been sold by the government at an average probably less than 25 cents per thousand feet, including the ownership of the land, which in many cases sells at from \$5 to \$10 per acre after being deducted of its timber, such land being found in many parts of Michigan, Wisconsin and Minnesota, to be unsurpassed in value for agricultural purposes.

The American Government has virtually presented to the lumbermen of this country each section of pine land, together with the timber on the same, of a value of \$14,400, for the mere nominal sum of \$1,600, or, as he can readily realize that sum for the stripped lands, has made him a gift of the timber for his labor in clearing it."

It will be observed that throughout the report of the committee the value of American pine is stated at the price current 15 to 20 years ago, allowing nothing for taxes or for interest on capital, or any loss by fire, windfall or flood, while the value of Canadian pine is given at its current price in the hands of present owners, and is always placed at its highest known value, and an outside estimate to cover its manufacture and transportation. Every member of the committee know that the present value of timber in both countries would be considered by the tariff commission if taken into account by them, and they would accept the statement in this report that the value of pine stumpage in the West is not far from \$4.50 per thousand, as stated in the report of the committee. Each member also knew when he voted to present this report, which speaks of donations, etc., that of the whole amount of lumber that will seek the markets of the West in 1882, but a small proportion was cut from lands purchased direct from the United States by the manufacturer. I regret that this spirit of unfairness is shown in the statements contained in the report, and believe the report should be amended to correct omissions and add facts. I regard the report as a special plea in the interests of Canadian lumbermen, and if the lumber of Canada cannot be sold in the markets of the West at lower prices than American lumber, why should the people of the West consume a commodity produced in a foreign country, with foreign labor, provisions and capital, in mills built with foreign machinery with money drawn from the consumers of the United States, who are having all the benefits enumerated above, and buying cheaper lumber manufactured by Americans?

Such a report should not be adopted, and it cannot receive any favor from the tariff commission or from Congress. In their proposition to ask the removal of the present duty on Canadian lumber, the committee ask no reciprocal action by the Canadian legislature, or an act to repeal the present larger tax levied on lumber shipped from Wisconsin and Minnesota into the British possessions, which is a tax of 20 per cent, on undressed lumber and 25 per cent, on dressed and manufactured lumber, based on the actual cost of the lumber, and nearly double the present import duty of the United States on

Canadian lumber. A proposition to ask that the duty on merchandise and material used in the manufacture of lumber by Americans, in case lumber was placed on the free list, was not considered by the committee, whose apparent desire was to place the whole burden upon the manufacturers.

I have faith in the good judgment of Chicago lumbermen who are present, and believe they will not endorse any report which assails the business of one class of lumbermen and shows no advantage to any class of citizens. I shall not believe that in Chicago, the only port in the West that contains a majority of lumbermen without mills and pine lands, that an effort will be made to injure the business of lumber manufacturers without stating a single benefit that will accrue to lumber dealers or consumers.

To this time I have proceeded on the assumption that the position taken by the committee was by them supposed to be true—that Canadian lumber will actually cost more, delivered at the ports of the United States, than American lumber, but what evidence have they presented that their statements are correct? In the matter of labor I cannot concede that the report is correct, and when horses are brought to this city every week from Canada, and 25 per cent, duty paid on them, I know they are cheaper in Canada, and I challenge any member of the committee to state, of his own knowledge, the prices of lumber supplies in Canada. The report was adopted, with little or no knowledge of the statements it contains, and no candid man present will cast his vote for the adoption of the report unless he can assert that he knows its statements are correct.

Iron costs much more in the States than in Canada, and it enters largely into the production of lumber. Matches, sugar and many similar articles cost more, and whoever by his vote endorses the report, certifies to that of which he really has no personal knowledge, and which the committee have assumed to be facts without having tested the Canadian market to verify.

Passing to that portion of the report which suggests that, as the supply of American pine is rapidly decreasing, and will soon be exhausted, and the consumers of the United States should draw upon the supply of Canada to eke out the remainder of American timber, I submit that if the amount of timber is correctly understood, and the supply limited, there is no good reason, when the stock of both nations can be drawn from at will, why that portion from the great increase of population and extension of railway lines across the country, that cause numerous forest fires, should be allowed to remain, while the portion situated in an isolated and sparsely settled country, whose changes are slow and do not involve risk of fire and destruction, should be placed first upon the markets of the country, especially when it is claimed that it must be done at a greater cost—which, however, I do not believe. Besides, Canadian timber is, to some extent, carried by the government at a much smaller cost for taxes and interest than American pine timber, and if either is to be cut early it should be that which is most likely to suffer loss, which will prevent its being made useful in developing the country which requires more than can be supplied.

If the members of the committee who recommend its adoption, have endorsed the sentiments it contains, were philanthropists, they would advise the use of iron, slate, brick and tile, and material that is used in the older countries of the world, to prevent the use of too much lumber. These articles can be produced in their own country, and thereby add greatly to its prosperity and wealth, and at the same time employ its population to advantage. Or they should assist in removing one-third of the present supply, and by that means add to the value of the remainder, and as the value increased, the iron, slate and stone would be substituted for lumber, and in this simple manner the lumber supply would be preserved a far greater length of time. If they desire to perpetuate the supply of timber for any reason, they should also assist Canada in holding a reserve, and not open a door that will lead to its rapid destruction. I do not regard the committee as philanthropists, and when I know they have endorsed and present to this meeting