

APPENDIX No. 6

' May establish mills.

' This is a serious condition of affairs when we recognize its bearing on settlement, and realizing its importance, the Canadian Pacific Railway Company have under consideration the establishment of large and up-to-date saw-mills of their own and offer lumber for sale through their agents, unless both the present saw-mill owners and retail dealers consent to handle the business on a reasonable basis of profit and without any attempt to maintain high prices by the continuation of the present combine methods.

' The Canadian Pacific Railway Company, continued Mr. Whyte, are the largest landowners, next to the government, in Manitoba and the Territories, and have, therefore, a marked interest in the rapid settlement of the country. The company also own in their land grants to the British Columbia Southern, Columbia and Kootenay, and Columbia and Western Railways, a large percentage of the timbered areas in southern British Columbia, and by establishing their own sawmills and selling lumber through their present staff of station agents, are in a position to put this necessary commodity on the market at a very low figure.

' There is no disposition on the part of the company to enter into competition with the present owners of saw-mill plants or retail dealers, provided they, recognizing the importance of the matter to the country at large, will sell lumber at a reasonable price, and give up the attempt to maintain high prices by "combine" methods, but unless that is done the company will certainly put in their own mills and deal with the matter as above outlined.'

MANITOBA FREE PRESS, WINNIPEG, MONDAY, JANUARY 11, 1904.

LUMBERMAN MAKES REPLY

To Vice-President Whyte's charges regarding alleged high prices by dealers and lumber-mill owners. Mr. Sprague submits statements charging inefficient service by the Canadian Pacific Railway.

' Mr. D. E. Sprague, as one of the representative lumber dealers and mill owners of the west, and an officer of the Western Retail Lumbermen's Association, was asked by the *Free Press* on Friday to express his views on the interview with Second Vice-President Whyte published by the *Free Press* of that date, in which Mr. Whyte said his company had under consideration the erection of big sawmills and establishment of lumber marts, unless prices were reduced to a fair profit-bearing basis by manufacturers and dealers. Mr. Sprague declined to speak of the matter on such short notice, but intimated that he might be heard from later. Yesterday Mr. Sprague made the following statement:—

' There has from time to time appeared in the *Press* much unfavourable and unjust criticism of the Lumbermen's Association, sometimes by politicians whose motive it may fairly be assumed was not any philanthropic desire to protect the public, but for reasons of a much more personal nature, either political advantage or personal gain. Other criticisms have been made by those originally members of the association who did not consider the rules and regulations sufficiently rigid to meet their views, and therefore sought such advertising as opposition to the association would give them. All such criticisms I have considered were not entitled to either answer or explanation. Now that a prospective competitor has appeared in no less a company than the Canadian Pacific Railway, through its manager Mr. Whyte, who gives a lengthy interview in the *Press* not complimentary to the association, it is only fair that the public should be given the facts. Mr. Whyte's unjustifiable statements may be due to the fact that for the past year or so he has not been so intimately connected with the operation of the Canadian Pacific Railway as formerly, and in consequence, would not have so great a knowledge of the conditions obtaining throughout the country regarding the lumber supply, nor the very unsatisfactory service provided by his company for the transportation of the necessary supplies, or it may be that Mr. Whyte