APPENDIX No. 6

particularly by the railway authorities and members of the Dominion House of parliament, we have been forced to the conclusion that it is advisable in both your interests and ours, that we should withdraw, you will therefore please not renew our membership for 1905.

'Our relationship in the past has been of such a pleasant nature that we take this step reluctantly, and would have preferred not withdrawing until after consulting with you at your next annual meeting, but circumstances are such that we cannot wait

until then.

'In severing our connection we wish to convey the information to your association that our intention is to confine our dealings to those who are regular and legitimate retail dealers.

'With kindest wishes and expressing the hope that your association may prosper.

'Yours sincerely,

'A.C.

'J. A. SAYWARD.'

Q. 'We have been forced to the conclusion that in both your interests and ours that we should withdraw.'—A. Yes, of course we do not know what reason they had for coming to that conclusion. That is their view.

Q. Yes, but they state there that it is both in the interests of the wholesaler and the retailer they should withdraw. An ordinary ignorant person like myself might from that rather fancy that it is a mutually beneficial arrangement ?—A. I cannot understand it.

By the Chairman:

Q. I want further to jog the witness' memory. Here is a gentleman who is now secretary of your association, a gentleman whom I know, and I fancy his judgment is worth something, this is a letter (Exhibit No. 112) which was only written a month ago or a little more, it was written on the 8th of March and is addressed to a gentleman, the secretary of the Tri-State Lumbermen's Association in North Dakota, who thought of coming into Manitoba to go into the lumber business, and this is entirely at variance with what you have been trying to impress upon us. In that letter the secretary says:—

'Your favour of the 5th to hand and noted. We inclose you a copy of our old bylaws, we are just having a revised set printed, but in the main they are the same, the alterations not affecting them in any way. Our association extends all through Manitoba and Assiniboia, and you will see from our by-laws the extent of protection that we give our members, although of course you can understand with the agitation there is at present before the public our by-laws are worded so as not to be in any way a restriction to trade. Practically all the dealers in Manitoba and Assiniboia belong to the association, in fact I don't think that there are more than 10 or 15 out of 640 that do not, so that you can see for yourself that the retail dealer considers that the association is a protection to him or else they would not join and pay their money for nothing.

'With regard to the locality that offers the best inducements for those wishing to start in the retail trade. At the present time the bulk of the immigration and opening up of new country is in Assiniboia, and consequently the lumber trade last year and part of the year before was a great deal larger than in Manitoba. For anybody wanting to buy out yards there are good points still in Manitoba, but for young men wishing for business opportunities—'

That would indicate he thought there was not much opening in Manitoba for any-

body to start new yards.

'I fancy that the west offers better facilities than the older settled districts.'
That was only written on the 8th of March, by Mr. Stewart, who has been in the lumber business to my knowledge for a great many years in Manitoba, and who was