

the utility of the office and declared the expenditure insufficient. It was just the same vague, shuffling, contradictory attitude which they exhibited throughout. The Opposition had no policy in regard to our timber; they appeared to be moved by the caprice of the moment, which seemed to promise embarrassment to the Government which was seeking to carry out a definite policy in the interests of our timber industry and resources, and consequently in the interests of the Province.

The Forestry problem was a problem no longer. It had been satisfactorily solved. A policy had been inaugurated which insured to the Province a permanent revenue, and to the industry and commerce of the future a perpetual source of timber supply.

An Impudent Claim.

The claim, which in the light of the facts, he would present, was nothing less than impudent, had been frequently made by the Opposition leaders that the policy of requiring all lumber to be manufactured in Canada, originated with them, and that the Government in inserting a clause to this effect in timber licenses in accordance with the act of 1898, had stolen their policy. They had charged furthermore that the course of the Government had been inconsistent and fluctuating. The Government policy had been regulated by the requirements of the situation, which had varied from time to time, according to our relations with the United States — the country which furnished the chief foreign market for our lumber. It was not a question of abstract principle but purely one of commercial expediency. The aim of the Government had been to do what was best for the interests of Ontario un-

der existing conditions regulating access to the United States markets.

Under the Reciprocity Treaty Canadian lumber was freely admitted to the American market, and everything was satisfactory. In 1866 that treaty was abrogated, and a duty of 20 per cent. ad valorem imposed on lumber. Canada, in turn, placing an export duty of \$1 per 1000 feet B.M. on saw logs. A severer blow was inflicted on the lumber trade in 1872 when the American Government imposed a specific duty of \$2 per 1000 feet on manufactured lumber, without regard to its quality. The result was to shut out the lower grades which could no longer be profitably exported. The home market for these being limited, much rough cull lumber was wasted. The cost of lumbering was increased, wasteful and destructive methods were encouraged and profits seriously reduced.

During a period of many years following, the question was left in the hands of the Dominion Government as pertaining to trade and commerce. The lumber trade was only one of many interests affected by hostile American legislation. Efforts were made from time to time to obtain either a renewal of the Reciprocity Treaty or freer trade relations. There was no question then of requiring saw logs to be sawn in Canada, as

There was no Exportation of Logs to the United States. This practice did not develop until 1886, when the export of logs from the north shore of Lake Huron was brought to the notice of the Government. Although the shipments were but small, the Government took action. By an act passed in that year the export duty was increased to \$2 per thousand, and the Governor-in-Council authorized to increase it to \$3 if it