

A LUMBER LESSON FROM MICHIGAN.

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IN corroboration of what I have already written you on the subject of the export duty on sawlogs you will find, in the Saginaw Board of Trade Review for 1892, a number of object lessons that must dispel any doubts if such existed in the mind of any Canadian of the serious mistake made by the Government in removing the export duties from logs and the imprudence of not immediately re-imposing them. This review clearly shows what I have already informed you, that the cost of towing and risk attending the existing method of draining away our timber, instead of being as claimed by interested parties expensive and hazardous, is just the reverse, and also that the Saginaw district of Michigan is now almost wholly dependent on Canada for supplies of white pine timber to stock its sawmills.

You are, I presume, aware that the chief source of profitable industry of Saginaw, now said to be a city of 62,000 people, has been the white pine lumber trade—this city annually producing about one half of the lumber sawn on the Saginaw river—and the great question was what could be done when the pine timber tributary thereto and on which its prosperity depended became exhausted, as is practically the case. This question you will see has now to the satisfaction of the Saginaw lumbering industry been successfully solved by the repeal of the export duty on logs by the Canadian government. And for this solution the compiler of the review does not even require us to open its pages, for it is disclosed on the outside cover where a map is presented showing the city of Saginaw at the head of Saginaw Bay, Mich., having a dozen or more railway and vessel routes diverging therefrom, and you will find the source of pine timber territory that is expected to furnish supplies necessary for her sawmills, not as might be supposed in Michigan or even in Wisconsin or Minnesota, but actually in two sections of the Georgian Bay district of Canada, where everything is elucidated by those three portentous words — "Pine Timber Region," thereby intimating in the plainest possible manner entire dependence on Canada for future supplies of white pine timber. And lest there should be any doubt in this matter we are informed, as you will see on page 11, that from this source, and by the existing method of log towing, are supplies for many years to come to be obtained to sustain the sawmilling industry of Saginaw, where it states: "Although the pine log supply has been diminishing during the past ten years, in the territory reached by the rivers tributary to Saginaw, a new source of supply has been opened in the Georgian Bay and Lake Superior districts, and the rafting of logs upon the great lakes to the Saginaw river mills, which was regarded a few years ago as impracticable, has now become one of the permanent business interests of the Saginaw Valley. The rafting of logs across Lake Huron is rapidly increasing each year, as experience has demonstrated that the new method of using bag-booms for this purpose is entirely safe. Those who are best acquainted with this industry assure us that it is only in its infancy, and that the Saginaw river mills will be supplied for many years to come in this way."

This is, however, merely the introductory lesson, other practical ones are to be found within, represented by three nicely executed photographic illustrations. The first on page 30 represents

A TUG-BOAT PUFFING AWAY

in front of a dark looking object covering a vast expanse of the lake and resembling in the distance a pear shaped island, which a close observation discloses to be about 50 acres in extent and to consist of 5,000,000 feet of Canadian pine sawlogs on their way across the lake to satisfy the insatiable maw of the Michigan sawmill. And rafts of a much larger size even than this one are by no means uncommon, for those of 10,000,000 feet have been safely towed through the lakes. In this connection it may not be amiss to give the statements made in this review which show that towing rafts through the lakes is not attended with either the cost or the risk that was claimed by an hon. gentleman engaged in the business in his speech in Parliament last session, where it says: "The business of rafting logs on the lakes has

been successfully conducted for many years on Lake Huron, immense quantities have been handled. The invention of the bag-boom has made log-towing on the lake practically as safe as on the river, and by this means rafts of 3,000,000 to 5,000,000 feet each are brought to the Saginaw river. The picture on page 30 represents one of Sibley & Bearinger's rafts on Lake Huron, containing 5,000,000 feet of logs. The repeal of the export duty on logs, exacted by the Canadian government, greatly stimulated the rafting of logs across Lake Huron to Michigan mills the last two years. In 1891 no less than 80,000,000 feet were brought to the Saginaw river and in 1892 a much larger quantity came over as figures below will show—184,500,000 feet."

From the foregoing we may reasonably assume since "log towing on the lakes is practically as safe as on the river," that the risk of log towing amounts to a mere trifle, while the immense size of the rafts that are thus safely and successfully towed over greatly reduces the cost of towing, so that investigation will probably show that, instead of \$1.50 for lake towing, 50c. for river towing, and 75c. for risk, or \$2.75 per thousand feet, as was stated by the hon. gentlemen in his speech in Parliament, the whole cost of towing and risk did not much, if at all, exceed \$1 per thousand feet, instead of \$2.75, as stated. In this particular instance probably 50c. per thousand feet covered all cost of towing and loss on the 5,000,000 feet contained in this raft.

Referring to this subject the July number of THE CANADA LUMBERMAN contains the following: "A writer in a recent number of the Manitoulin Examiner, published in Little Current (Georgian Bay District) expresses himself in vigorous fashion, thus: Last year 175,000,000 feet of lumber was exported in logs (actually over 250,000,000 feet) and this year there is to be 455,000,000 feet taken over to the States, showing that the annual shipment is increasing. This may look well, but how does it affect our country? In the first place, if these logs had to be manufactured in this country we should hear the busy hum of sawmills all along the shores of the Georgian Bay, see thousands of men busily engaged in these mills, see little villages in a prosperous condition and everybody enjoying life. Again, the fact of logs being towed across the lakes materially affects the shipping and the work to be done by Canadian vessels. This means a

HEAVY LOSS TO VESSEL OWNERS

in our country. As it is now, our mills are to a great extent shut down and standing there rotting, men are complaining of hard times and no work, the merchants in the towns have a great difficulty in getting a living, and on the whole the country is dead. No wonder that there is such an exodus from our country of the best of Canada's sons." And concludes: "By all means put on the duty and save our pine."

The foregoing is no fancy picture, but is patent to the observation of anyone who may take the trouble to enquire into the conditions. Not only are mills being shut down but every few weeks we hear of mills being burnt down, no doubt from the carelessness or indifference of those owning such property, which are thus made valueless by the direct action of the Government in legislating as it has done in the interest of foreigners.

For our next object lesson we have on page 50 the representation of a Saginaw sawmill apparently actively at work converting the logs into lumber, and said to give employment to 150 men for six months in the year.

The product of the 26 sawmills operated last year in Saginaw is given at 321,831,312 feet. (This is, of course, exclusive of the product of the mills at Bay City and elsewhere on the river which cut 386,633,715 feet, and made a total product for the Saginaw River of 708,465,027 feet) which is equal to an average cut of about 12,250,000 feet for each mill, or to the out-turn from 2½ rafts such as represented.

The 455,000,000 feet of sawlogs, equal to 91 such rafts, purposed to be towed over to Michigan this year from Canada, being over 40 per cent. more than the entire cut of the Saginaw City mills last year, would consequently give employment to 37 such mills, and turn out an amount of lumber greater than our whole export of white pine lumber to the United States last year, so that

you may see this is not the trifling matter that ignorant or interested parties try to make it appear.

I know that hon. gentleman scoffed at the idea that any such quantity as 455,000,000 feet is to be towed over this year, but the same gentleman ridiculed the statement made that anything like 200,000,000 feet had been towed away last year, when here we find it stated that the Saginaw River district alone received last year from Canada 184,500,000 feet, or within eight per cent. of this whole amount, without taking into account the large receipts of Canadian sawlogs at Alpena and Cheboygan, which are extensive manufacturing points, and situated only one-half the distance from Canadian sources of supply, or those rafted to other points in Michigan and elsewhere; so that it would be found, if correct figures are obtained, that the

QUANTITY OF PINE LOGS EXPORTED

to the United States from Canada last year was over 250,000,000 feet, instead of 200,000,000 feet, which was said to be excessive.

Then we have the third and last object lesson which if properly considered is of even greater importance than the others, for it represents an immense manufacturing establishment covering several acres in extent surrounded by piles of lumber to be converted into the many useful articles for which lumber is a prime necessity, and which is said to give employment to over 300 men for twelve months in the year, mostly skilled mechanics.

A tabulated statement mentions that such factories of which there are 18 in all—the one represented being, however, of greatest extent—employ 2,302 persons, as compared with 1,890 employed in the 26 sawmills, 292 in the 15 shingle mills and 296 in 8 furniture factories, and turn out products to the value of \$5,208,634, the sawmills, \$4,824,826, shingle mills, \$530,592 and furniture factories \$374,500, or a total of 4,780 men employed turning out wood products valued at \$10,738,552.

On a similar basis the products of the 455,000,000 feet of sawlogs to be exported from Canada free of export duty this year would give employment to 6,650 men and produce products of the value of over \$15,000,000, a sum in excess of one-half our whole exports of forest products. I do not, however, claim that the value would be so great as this, for the compiler of the review has probably included the value of the lumber which entered into the other manufactures, but it would reach a value of at least \$10,000,000, instead of less than \$2,000,000 expended in getting out the logs, and this last amount would be spent in like manner in this country whether the logs were manufactured here or elsewhere. So that our country is deprived of this amount of profitable industry, and a large additional amount in the subsequent traffic to railways and vessels of these manufactured products, which is now wholly lost to us not only without any valuable compensation, but with direct injury to our own manufactures.

In my opinion it is in this manufactured condition the products of our forests should leave our country, not in that as at present of immense rafts of pine sawlogs, of which we have only a limited supply, and from which our people derive neither employment nor revenue.

The artist has not favored us with any illustration showing the condition in which that part of our country is left whence these logs were obtained which give Saginaw all this business prosperity, for

THIS BEING CANADA'S INTEREST

in the matter did not of course concern Saginaw, but it would no doubt be found to be in that state as an intelligent observer recently remarked one of our western cities might find itself under certain conditions, "with its whole insides jerked out," and nothing but the abomination of desolation remaining. Under conditions such as those now existing, wherein Michigan lumbermen have advantages over our home operators in the Georgian Bay district of fully \$3 per thousand feet, one need not go so far to find the reason why new mills are being erected in Michigan to saw Canadian logs, while many of those in Canada are allowed to be closed down or cremated.

Almost identically unsatisfactory conditions exist in the Canadian pulp industry, which was beginning to