

the log not computed in the measurement for lumber, and this extra export duty should be at an equivalent rate to what the Americans impose on corresponding goods from Canada entering their markets. Even with such an export rate the Canadian manufacturers would be handicapped, at least, \$1.62 per thousand as per Mr. Carroll D. Wright's report before referred to.

Should the exportation of logs to the United States thereby be stopped, which I doubt, it would deprive the mills of East Michigan of some 200 to 300 million feet of lumber per year, for there is no place other than Ontario from which to draw their supply, and the lessening of that supply by that quantity would to that extent lessen competition and inure to the advantage of the Canadian output.

It would be far better that the American mills should stand closed, their workmen remain idle and the traffic of their railways be lessened, than that corresponding interests of Canada should so suffer because of their unfair discrimination.

If our government impose an export duty upon logs and pulpwood, and it should certainly not exempt pulpwood, and if the retaliatory clause of the Dingley Bill be applied, the United States market would for a time be practically closed to the bulk of Canadian lumber; but Canadian made pulp would be in rapidly growing demand because the far distant pulp timber of the Pacific or Southern States would not be available, and while some Canadian logs would continue to go across to Michigan for manufacture, even under a \$2.00 export duty, the value of Canadian timber becoming even more apparent would soon influence to a more profitable manipulation in Canada by manufactures than ever before.

Canada's relations to the United States are and have been eminently reasonable and fair, and we are not properly chargeable with unneighborly acts.

We cannot coerce them—we could easily irritate and antagonize them, and the majority of their people certainly bear no ill-will to Canada, but great prudence is needed in even the initiatory steps to an export duty.

I believe that an early and firm declaration by our government regarding an export duty, couched in moderate terms, and in the light of forestry truths being brought out at Washington, will turn a number of senators to free lumber.

It will bring to our aid and make valuable allies of the owners of sawmills and salt-blocks of Eastern Michigan and the American licensees of Canadian timber limits: the champions of advanced forestry principles would deprecate the encouragement to the more rapid depletion of their forests which the prohibition of Canadian lumber would cause.

The paper and pulp mills of the northern frontier, of which, in New York state alone there are, I am informed, 125 in operation, manufacturing 1,400 tons of paper per day and employing 15,000 workmen;

The prominent men securing interests in Canadian spruce lands;