

in woodlands by farmers and lumbermen where there is no danger of loss by fire, and the average Ontario forest tree certainly requires full 60 years to reach maturity. On this basis the equitable rate for woodland taxation will be 17% of that for lands under farm crops, or in other terms, when the ordinary rate is 10 mills, the rate for woodlands should be 1.7 mills.

III.—Woodland Tax Exemption.

There are several reasons which may be urged in favor of the remission of part or all the taxes on such woodlands as are maintained wholly for the production of timber, and which receive sufficient intelligent care to keep them up to a reasonable standard of production. They are

(1) The value of woodlands to the community in general by virtue of the beneficent influence exerted on the climate by moderating the force of heavy winds and by favorably influencing the humidity and temperature of the atmosphere; and by the very favorable influence exerted in regulating the flow of streams.

(2) The long time element in the maturing of a forest crop is a great discouragement in wood production. There is no line of business in which men ordinarily engage which requires the looking forward for more than a decade or at most two decades. Timber growing, however, requires the constant planning in advance for 60, 80, or even 100 years. So profound is the influence of this long time element that the great law of supply and demand is paralyzed. To illustrate: If the demand for wheat increases in relation to the available supply, the price rises, the farmers sow a larger acreage, and presently the increased demand has resulted in an increased supply. The same is true of hogs and horses, or of any other commodity which may be reproduced or even mined, except wood. The demand for wood has steadily and tremendously increased decade by decade for upwards of a century. The prices, notwithstanding the opening up of vast virgin forests which cost man nothing to produce, have steadily risen, and during the last decade, as exhaustion of supplies is seen in the distance, have very rapidly risen. This rise in price has not yet resulted in an increased production of wood, nor will it—judging from the history of nations—ever appreciably increase the production of wood until the evils of a wood famine have long been felt. On the contrary, although increased demand has meant increased prices, increased prices have only meant *increased harvesting*, and increased harvesting has meant and still means in North America that larger areas are annually cut over and cut more closely. This on account of the greater amount of debris left