Canada Lumberman
Wood Workers' Manufacturers' and Millers' Gazette

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J. S. ROBERTSON, - - EDITOR.

THE CANADA LUMBERMAN is published in the interests of the lumber trade and of allied industries throughout the Dominion, being the only representative in Canada of this foremost branch of the commerce of this country. It aims at giving full and timely information on all subjects touching these interests, discussing these topics editorially and inviting free discussion by others.

Especial pains are taken to secure the latest and most trustworthy market quotations from various points throughout the world, so as to afford to the trade in Canada information on which it can rely in its operations.

Special correspondents in localities of importance present an accurate report not only of prices and the condition of the market, but also of other matters specially interesting to our readers. But correspondence is not only welcome, but is invited from all who have any information to communicate or subjects to discuss relating to the trade or in any way affecting it. Even when we may not be able to agree with the writers we will give them a fair opportunity for free discussion as the best means of eliciting the truth. Any items of interest are particularly requested, for even if not of great importance individually they contribute to a fund of information from which general results are obtained.

Advertisers will receive careful attention and liberal treatment. We need not point out that for many the CANADA LUMBERMAN, with its special class of readers, is not only an exceptionally good medium for securing publicity, but is indispensable for those who would bring themselves before the notice of that class. Special attention is directed to "WANTED" and "FOR SALE" advertisements, which will be inserted in a conspicuous position at the uniform price of 15 cents per line for each insertion. Announcements of this character will be subject to a discount of 25 per cent. if ordered for four successive issues or longer.

Subscribers will find the small amount they pay for the CANADA LUMBERMAN quite insignificant as compared with its value to them. There is not an individual in the trade, or specially interested in it, who should not *be on our list, thus obtaining the present benefit and aiding and encouraging us to render it even more complete.*

THE DUTY PROBLEM.

IT is not to be expected that the duty on lumber, more than on any other article of merchandise, can be fixed to the satisfaction of everyone. There will always be an unsatisfied element in the transaction, for at least two interests in all such cases come into conflict.

On the E11 page we give particulars of an interview between representative lumbermen of British Columbia and Hon. Mackenzie Bowell, which tell of discontent in that province, because Douglas Fir, which, it is claimed, is scheduled as pine, is made to pay a duty of $2 when exported to the United States, whereas white pine lumber pays only $1. The reply of the minister brings out certain information on this matter which, from the Government side, is supposed to be satisfactory. Yet intelligent as it may seem to them it can hardly be considered satisfactory to the British Columbia lumbermen.

The effort of Mr. Ives, M.P., Sherbrooke, Que., at the last session of the Dominion Parliament to secure a re-imposition of the export duty on logs, is remembered by our readers. Mr. Ives has attempted to solve the problem for himself by building a mill on the other side of the boundary line, and thus escape the duty. On the principle of "every man for himself" this step may be accepted as one way out of the difficulty, but it is not the act of a statesman, and will not solve the problem for others.

The strongest opposition to the free export of logs to the United States, with a tax of $1 per thousand feet on the manufactured lumber, comes from the saw mill men of the Georgian Bay districts. It is easy to understand that the local press and the people of these northern districts view with alarm the removal of immense quantities of timber from their midst to be manufactured into lumber in a foreign country. They would rather see this work done at home, in their own saw mills and by their own workmen. Who would not? It s not to be supposed that there is a Canadian worthy the name who would, if the choice were given him, hold to any other view. But is it a matter of choice? Of course our Government could reimpose the log duty. The information, however, has been imparted repeatedly in these columns and elsewhere that to do so simply means, under the conditions expressly stipulated in the McKinley Bill, to invite an immediate increase of the duty on sawn lumber going into the United States to $2 or more per thousand feet.

It is here the opinion of lumbermen divide. Those who favor a free exportation of logs, with a duty of $1 per thousand on manufactured lumber, contend, with perhaps as complete knowledge of the lumber field as those who hold an opposite view, and in many cases they themselves are sawmill owners, that a re-imposition of the export duty, and with it an increase in the duty on lumber going into the States, would circumscribe the lumber trade of the country to an extent that would place it almost at a standstill. Clearly, if our mills are to be run with success, a market must be found for the manufactured lumber, and if a duty beyond one dollar would seriously curtail what is now a large and profitable market, no one would suffer more than the mill-owners.

A new force in the agitation for a re-imposition of the export duty on logs are the fishermen of the Georgian Bay. They have joined hands with the lumbermen; not that they are interested, however, in the product of the land. Their interest is with the product of the sea, and they say that if the present system of towing immense rafts of logs continually across the Georgian Bay to the American side of Lake Huron is much longer in vogue the fisheries of these waters will be utterly destroyed. Large rafts covering fifty or sixty acres in extent, when in a heavy sea, such as they frequently encounter, chafe and rub until the logs are stripped of the bark. This, in the course of a short time, is carried shoreward, where it sinks, ruining nets and destroying the feeding and spawning grounds of the fish. The damage which is being done in this way is said by those who should know to be already incalculable; and fishermen generally complain that unless the export duty is re-imposed, and the rafting of immense numbers of logs thus put a stop to, the salmon and white-fish of Georgian Bay will entirely disappear.

It must be admitted that to arrive at a conclusion, equitable as well as practicable, and that will meet these various conflicting interests, wise thought and skilful treatment are necessary. Moderation in statement and a tolerant view are at least two needed elements to a solution.

TWO VIEWS OF THE LOG QUESTION.

THE Globe of the 30th ult. contains the letter of a special correspondent from Saginaw, Mich., who enters somewhat fully into a discussion of the lumber question. After noting the great improvement in the lumber trade in the United States during the season closing, and which it is believed is common to Canada, as well, this writer, says:

Your correspondent has made careful inquiry as to the business of towing rafts from Canada. The trade has this year grown to one of considerable proportions, and probably for the first time equals the export of logs from the United States to Canada on the Rainy River in the west, and on the St. John in the east. The risks of the business are heavy and several large rafts have recently been wrecked, entailing heavy loss upon the owners. Many Michigan lumbermen are considering the advisability of building saw mills in Canada, and are only deterred from so doing by the uncertainty as to the tenure of the present rate of Crown dues, and by the possible reimposition of the export duty on logs. They conclude that at present no assurance is given that arbitrary and ruinous changes may not be made by the Ottawa Government on the rate of lumber dues imposed, and some assurance as to permanence of rate for a term of years and limitation of advance, when after a lapse of years one is made, would lead to the building of saw mills by Americans on the Canadian side of the line if the uncertainty as to the log export duty was removed. This question is felt to threaten more danger to capital embarked in Canadian saw mills than does the uncertainty of the tenure of Crown dues. Were the export duty reimposed the American duty on pine lumber would, under the provisions of the McKinley Bill, be advanced from $1 per thousand to $2, and this is not the worst feature of the case, for it is believed that the United States Government would add the amount of the Canadian export duty on logs to the American duty on lumber as a retaliation, for the reason that the constitution prohibits an export duty, and retaliation in kind could not be reached. If these two difficulties were out of the way, towing logs in rafts from Canada to Michigan could not fail to give place largely to the manufacture of Canadian logs into lumber on the Canadian side of Lake Huron. The advantages in favor of sawing logs in Canada even now are considerable. Lumber manufactured on the Canadian side of Lake Huron can be sent by water to the eastern or the western markets nearly as cheaply as from Saginaw or other producing points in Michigan where Canadian logs are converted into lumber. The difference in the cost of freight does not in any case exceed 25 cents per thousand, and usually the rate is the same. Sawing can be secured in Saginaw at an average of 25 cents less per thousand than in Canada, owing to the advantage of manufacturing salt in connection with sawing lumber. The advantages, therefore, that the Michigan mill possesses over the Canadian mills are as follows:

Difference in freight on lumber to Buffalo or Chicago in favor of Michigan points	$0 25
Difference in saw bill	0 25
American duty	1 00
Total	$1 50

It may be claimed that the difference in saw bill is greater than stated, but even if this is the case the difference in freight rates seldom exists, and the statement may be accepted as substantially correct. This very material advantage to the Michigan mill is more than counterbalanced by certain disadvantages that cannot be avoided. Logs must be towed from Canada to Michigan, and the business is a hazardous one. When a raft reaches the mouth of the Saginaw River the great bag boom must be broken up and its contents made up into smaller rafts and towed up the river. The disadvantages in towing logs to Michigan for sawing sum up as follows:

Tow bill from Canada to Saginaw River	$1 50
Towing up Saginaw River to mills	0 50
Lake towing risk, at least	0 50
Total	$2 50

This shows a net advantage at the present moment in favor of sawing in Canada of $1 per thousand, and nothing but the uncertainties I have mentioned as to tenure of dues and export duty prevents a large movement in the erection of saw mills by American capital in Canada on the waters of Lake Huron. These advantages in favor of Canada will be further increased when lumber is placed on the free list, as it certainly will be in the near future, if bad feeling is not aroused and retaliation provoked by reimposition of the log export duty and acts of a similar character, all of which are calculated to create bitterness of feeling and prevent tariff concessions and modifications.

This is a view of the case that would appear on first consideration to open a solution to the present tariff troubles. If it can be shown that American lumbermen only wait a greater fixedness of purpose on the part of the Dominion Government regarding the export duty, and a little more certainty touching the tenure of Crown dues, to induce them to build mills in Canada and do their cutting here, our Government would be deserving of severe condemnation if not taking immediate steps to remedy the difficulty; for, clearly, what is asked by lumbermen, whatever view they may take of the tariff, is that the logs cut in our country be sawn into lumber in the sawmills of our country.

Mr. John Waldie, of the Victoria Harbor Lumber Co., however, in reply to the Globe's correspondent, gives another coloring to the situation. He points out that the figures there given showing $1 per thousand advantage to the Canadian saw mills in the manufacture of lumber are entirely outside of the real conditions, and it is for this reason that the American owners of Canadian timber limits do not have their logs cut in this country. The Michigan mill-owner has all the advantage over the mill-owner on the Georgian Bay of being able to dispose of his slabs, edgings and refuse for an amount equal to the cost of manufacturing the lumber, there being a population in Bay City and Saginaw of at least 50,000, who purchase at good prices all the refuse which may not be used in connection with their salt industry. Then Mr. Waldie disputes the statement made in regard to the water freight of lumber from Canadian points to Buffalo. He points out discrepancies in the charges quoted for towing, and taking, everything together, concludes, in contradistinction to the statements of the Michigan correspondent, that the "Michigan mill-owner has $2 advantage over the mill-owner in Canada, who has to tow his logs to a railway point. Lumber on the north shore of the Georgian Bay, at Canadian points, will bring $2 per thousand less on the average than the same lumber piled at Saginaw and Bay City, owing to the advantage these points have for distribution throughout the year, and having a large consuming population for the refuse made by their mills." Were this not the case, Mr. Waldie argues, Michigan men who are owners of mills in this country would not keep them closed and tow their logs to their mills across the line. When the export duty was removed the Dominion Government made the grave mistake, says Mr. Waldie, of not providing that it should take effect when the American tariff was changed making lumber free.