

wood operations in Canada, almost every dollar it receives is expended in the United States."

"It is estimated that it furnishes annually 2,500,000 tons of freight to the common carriers of the country."

"The company owns or controls about 900,000 acres of timber lands in the United States, and 3,100,000 acres in Canada. It is operating upon these lands in the United States in the most conservative manner possible, in all cases leaving the small growth for the future and avoiding all the waste possible, felling trees with the saw instead of the axe, as formerly, and using the tops of the trees to the fullest extent possible. At some points in New England it has bought abandoned farms having a young growth of spruce on them, and is holding them for its future needs. It is also making some experiments in replanting. It is holding its lands in the United States, in so far as it is practical and economical for future use. It may be added that its operations in Canada are also as conservative as conditions will allow."

"In 1899, its first full year, the company made 380,000 tons of paper. In 1907, it made 495,000 tons, an increase of 30 per cent. It makes all the pulp required for this quantity of paper, and is thus not dependent upon any other company or any other country for any if its requirements of pulp. It does, however, get from Canada about 35 per cent. of the pulp wood required, mostly from its own lands; this coming in free of duty. For the handling and transportation of this wood a large amount of money has been permanently invested, so that it may be laid down at the mills at the lowest possible cost."

"It, (the present duty) is not adequate to prevent extensive importations of news paper from Canada, as already shown, and any reduction would mean an increase in importations and loss of business for us. It would check the growth of our production and the removal of the duty would close a number of our mills. We believe that under any conditions the free admission of paper would compel us to abandon many of our plants, and either drive us out of business or compel us to build mills in Canada."

"We know of no way by which this result can be avoided if we are brought into competition with free paper, which is what Canada seeks. We believe that the movement in Canada in favour of putting an export duty on pulpwood, or prohibiting its exportation is not likely to be successful, because it is not founded on any sound or just principles, and we further believe that if it should be successful, it would result in such great injury to Canada that such a policy would be short lived.

"One of Canada's greatest assets is her forests, but they are only profitable to her in so far as they are productive. We sympathize with any bonafide desire on her part to perpetuate her forests and are willing to submit to any reasonable restrictions in our operations in the Canadian woods, which have that end in view, but Canada has a very great area of timber lands, and they can produce a large annual yield without impairing them—all that her mills and ours will want for generations to come.

"Canada is exporting \$33,500,000 worth of forest products a year and is doubtless eager to increase her markets for lumber, etc., and her exports thereof. Her exports of pulp wood in 1907 amounted to about \$5,000,000. It looks inconsistent to say the least, for her to seek to increase her exports of lumber generally, and to check the exports of one particular variety; especially as pulp wood is very generally distributed throughout the Dominion. The consumption by the United States is comparatively insignificant compared with Canada's extensive supply.

"We are therefore forced to the conclusion that the opposition to exporting pulpwood is not based on any genuine apprehension on behalf of forest pre-