

through their action, through their direct action, their special efforts at Washington, that this condition of affairs was brought about. Therefore, I say that I feel somewhat humiliated, as a lumberman, that their view of the question, so far as the present licenses are concerned, has prevailed with the government of the province of Ontario. I wish to say one word with regard to the Lumbermen's Association of the province of Ontario. (Mr. Beck: "We haven't got any.") I quite agree with Mr. Beck that we have not got any. That association, as you know, has not met for several years, some of you being members of it; it has not been called together for years, and until this crisis arose it would not have been possible, on any other question, to have got a dozen—I venture to say, half a dozen—members of that association present, and for any officer of it to presume to speak on behalf of the association to the government of the province, asking that the government should defer action



MR. C. E. C. NEWTON,
(Chas. Newton & Son, Victoria Harbor.)

until that association had been heard in opposition to the resolution of the meeting of the 19th of August, is, to characterize it very mildly, an outrageous assumption of power. I do not know who he is—I did hear a name, but I don't know whether it is correct or not—but I say he had no right to speak for me in that matter, and there are other members of the association who will say he had no right to speak for them. I wish simply to protest against the effort that was made to counteract the influence of the meeting of the 19th of August by introducing in this side-handed way an association whose members would be very glad if their subscription fees which are in the bank to-day were returned to them. (Applause). Gentlemen, I shall not enter into the merits of the case until later on. Possibly I may have an opportunity of doing so, but I take my seat by moving the reception of this report.

THE SITUATION REVIEWED.

Mr. John Waldie: In seconding the reception of the report, I think perhaps at this early period of the proceedings that the position of the lumbermen, especially of the western portion of Ontario, should be thoroughly presented to the meeting, and with the permission of the meeting I will try to give a short resume of the position and conditions that exist to-day.

In discussing the Ontario-Georgian Bay lumber question, we require to look back into the past as well as into the future. Prior to 1890, beginning with the time the Michigan mills began taking saw-logs in quantities from Canada, conditions were equal, there being a \$2 export duty charged on the log by the Canadian government and a \$2 import duty charged on sawn lumber by the American government, and in this way the condition of the saw mill industry of the two countries was on an equality. In 1890 the Michigan mills and those supplying logs to them from Canada agitated for a removal of the export duty on logs, which resulted in an agreement that the American government should reduce the import duty on lumber to \$1, and the Canadian government withdrew the export duty of \$2 on logs. Under the Wilson Act the American government put lumber on the free list. The Presidential election of 1896 resulted in the return to power of the Republican party, who advocated a protective policy; but this is the same party who made the agreement with Canada that if there was no export duty

charged on saw-logs, the import duty on sawn lumber should only be \$1. After the President-elect was installed and the Congress of 1897 had assembled, the Dingley tariff bill was introduced, with a \$2 import rate on sawn lumber. The Michigan mill owners, knowing this to be a violation of a national agreement made on their behalf between the government of the United States and the government of Canada, sought by legislation at Washington to prevent Canada returning to the conditions existing before the J. G. Blaine agreement. They, therefore, inserted a clause by which a \$4 rate will be charged when Canada exercises her unquestioned right and returns to former conditions of a \$2 export duty on logs against a \$2 import duty on lumber. In this way, through legislation at Washington, the Michigan mill has the advantage over the Canadian.

REMEDY PROPOSED.

What remedy do we propose whereby Canadian mills may be placed on even terms? First, should we impose an export duty on logs? This we believe is unnecessary, as there is a simpler and better method, viz., by asking our provincial government to add to the licenses to cut timber, when re-issued on the 30th of April, 1898, a clause that all saw-logs shall be manufactured into lumber at Canadian mills. This is not a new condition; it was approved of by order-in-Council, and governed in the late sale and in one previous, but has not been inserted in the license, and has been so far inoperative. What will be the effect? It will give employment at the Georgian Bay saw mills to 4,000 men and boys at the mills alone for from six to eight months in the year, besides benefitting all other industries incident to the production of the mill machinery, and supplies incident to a manufacturing plant. We have mills at present on the Georgian Bay capable of cutting 350 million feet of lumber by working only ten hours per day. If night crews were used 500 million feet could be cut. Now, the question is whether it is in the public interest that the Canadian mills should get fair play and saw 350 million, or that they should be placed at a disadvantage of \$2 per thousand as against Michigan mills, or whether they shall saw 100 million feet of Canadian logs and allow 300 million feet to be sawn in Michigan. That is the question for the government and the people of this province to decide. The log supply of the Georgian Bay is taken largely from two principal streams, viz., the Spanish and French rivers. The work of transforming the log into lumber costs the same in both countries where railway advantages exist, the Michigan mill having a considerable advantage in sale or use of refuse.

THE GOVERNMENT'S POSITION.

Then, the timber cut under license is the property of the people, and should be dealt with for the benefit of the people. If this principle is admitted our case is won, for no one would deny that it is in the public interest, first, to conserve our forests, and next to give employment to our citizens. Can the government of Ontario interfere with a license issued during the current year? That question I would answer by citing the additional regulations just recently issued. This new regulation being a new condition, does it attach to present licenses or not? If not, there was no need for it. The license being an annual agreement or contract, the government have always advertised that the holders must subject themselves to whatever regulations the government may consider the public interest requires, and in the past many changes have been made. An important one was the taking of the right to cut hardwoods, which was granted in old licenses and taken out without consent of the licensees. This, and many other instances which can be quoted, clearly shows that on a renewal of a license new conditions can be added. Finally, as the Georgian Bay district is the one chiefly affected, action by the Ontario government would relieve us from the oppression of a foreign law, and in no way interfere with other portions of Canada where conditions are different. All we ask is the minimum of interference, giving the maximum of relief. If the logs cannot be cut in Canada, the owners will have to follow them to Michigan, and no Canadian wants either to go there in person or to be obliged to send his son there to look after his interests. Some of the largest mill-owners have already closed down their mills and are selling logs to Michigan buyers.

This is not only a Georgian Bay saw-mill question, but saw-mill men elsewhere are interested. I hold in my hand a telegram from a leading saw-mill industry

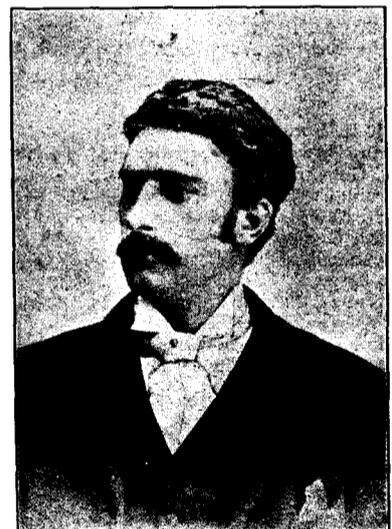
in Sarnia, which with your permission, sir, I will read:

SARNIA, ONT., Oct. 6th, 1897.

Cannot be present at meeting to-day. Give you full power to vote in our name in movement to urge the government that the crown lands timber be manufactured in Canada, or that a strong export duty be imposed, and we further say there should be a duty on American lumber coming into Canada.

W. T. MURNEY & CO.

Mr. Waldie, continuing: I have also met gentlemen, even in the City of Ottawa, Messrs. Wm. Mason & Sons, who say they are heartily in sympathy with our movement. I feel that a great injustice is being perpetrated on the industry in the Georgian Bay if the government of Ontario take no action; but I fully believe the government will take action, because governments are composed of men appointed by the people, and if I judge correctly the people of Ontario desire this to be done. (A voice: "Hear, hear"). Now, where are we to-day. We have facilities for taking out 400,000,000 feet of logs in the Georgian Bay district. Out of that 400,000,000 feet, under existing circumstances, not 100,000,000 will be manufactured in the Dominion of Canada, and half the mills on the Georgian Bay will be standing idle. One of the wealthiest and oldest lumber companies in Canada, Cook Bros., who have ample wealth, ample limits, ample mills, have closed their mills and sold their logs to Michigan. Is this in the interests of Canada? Is it in the interests of the people of Ontario? I say that in the interests of the people of Ontario every pine tree on the crown lands should be utilized to give employment to the industrial inhabitants of this country. (Hear, hear.) Now, it is not fair that these Michigan mills should be subsidized from Washington by two dollars per thousand as against mills equally equipped and capable on the Georgian Bay owned by Canadians. It is not fair to the Americans who have bought limits here and constructed or leased mills, that they should be sacrificed to the interests of the Michigan mill man who has no interest here beyond getting his logs, and who claims that we are an inferior people. I am not of that opinion at all; I think we are a superior people every time. I am heartily in favor of the proposition embodied in the resolution, and will give it my undivided support until the end of the



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chapter. I don't want to see Mr. Bertram's son become an inhabitant of Michigan; I don't want to see Mr. Beck's son become an inhabitant of Michigan; I don't want to see my own son there; and the result, if no action is taken by this government, will be that our sons will have to follow the log to the Michigan mill to be manufactured. I appeal to the people of Ontario, to the lumbermen here assembled, especially those in the Ottawa district who are not under the same conditions, that they shall see that we get fair play, and that we shall not be hampered and tied down until our birthright is taken away from us and we have got a barren waste. (Applause).

Mr. Beck: Mr. Chairman, I do not wish to say much on this subject, but in the interests of the lumber business we have to come to some conclusion as to what we are going to do. As I understand it the Ontario government has already decided to allow this winter's cut to be exported free. I think that is the general understanding, is it not?

Ald. Scott: Yes.

Mr. Beck: I understood it so, but I read an article in