

THE ONTARIO GOVERNMENT'S POSITION.

THE resolution passed by the lumbermen at their meeting in the Board of Trade building, Toronto, on Oct. 6, has brought forth the following reply from Hon. A. S. Hardy addressed to Col. J. I. Davidson, who presided on that occasion :

"MY DEAR SIR,—The Commissioner of Crown Land has already acknowledged the receipt of the resolution passed at the meeting of lumbermen held in the Board of Trade building on October 6, and which was forwarded to him by Mr. Wills, the secretary of the Board of Trade. The Government have had under consideration for some time past the question to which the resolution relates, and in that connection the resolution of the earlier meeting, which was presented by Messrs. Waldie, Rathbun, Scott and Bertram. What I understand is, that the majority of both meetings desired that a new regulation be passed by order-in-council, which will require all pine timber cut upon Crown lands to be manufactured into boards or other sawn lumber, or into square, waney or board timber, in Canada ; and that this regulation shall apply to timber cut upon all limits, including those which were originally sold by the Crown without the imposition of that condition. The proposition is a very large one, and the suggested course is not free from legal complications. It is learned that the lumbermen of the western part of the province are almost unanimously in favor of the proposition, while some of the larger operators and some of those who do not operate so largely in the eastern part of the province are averse to it.

"It has been urged upon the Government in opposition to the resolutions that the adoption of such a regulation would affect very seriously large timber interests held by both Canadians and Americans, and that individual holders would suffer serious loss ; and it is represented that the aggregate depreciation in value could only be approximately estimated.

"The question, therefore, as I have already intimated, assumed very large proportions, and is, the Government cannot but feel, too weighty and momentous to be dealt with simply by order-in-council without publicity and in the privacy of the council chamber, and the more so as the intent of the resolution is that the regulation shall apply to the timber on all limits without reference to the length of time which has elapsed since the latter were sold by the Crown, or to the prices at which they have since been purchased.

"After very full consideration we are of opinion that the question is one of such gravity and importance as regards both public interests and private rights, that instead of dealing with it by order-in-council the Legislature at the approaching session should be asked by the Government to enact such legislation as the public interests may require, and the exigencies of the situation may appear to demand, in which case the whole question may be fully and openly discussed before definite action is reached.

"The Legislature will doubtless meet early enough to enable any necessary measure to be passed before the time arrives for the issue of the licenses for the next license year."

THE QUEBEC GOVERNMENT MOVING.

At New Carlisle, Quebec, the other day Hon. Thomas Duffy and Hon. Geo. W. Stevens, members of the Government of that province, indicated the policy of the Government on the timber question. Mr. Duffy declared that the lumber industry should

be protected. Mr. Stevens favored discriminatory stumpage duties on pulp wood exported from the province. This latter is a significant utterance. If Quebec adopted a high stumpage duty against the United States there would be more American pulp mills affected than by like action on the part of any of the other provinces. It is by way of the Quebec frontier that most of the United States mills are reached. Mr. Stevens' words will be satisfactory to the pulp manufacturers of Quebec who last summer waited on his Government to ask, not an increase of the stumpage against the United States, but a reduction of it in favor of themselves. Such an arrangement as he inclines to would be still more acceptable to them. Mr. Stevens drew a glowing picture of the future of the pulp and paper industry in Quebec. New Carlisle is on the north shore of the Bay of Chaleurs, and the occasion of the speech-making was a visit to that district to examine the Baie des Chaleurs Railway, in whose completion the Government is asked to assist, the road being intended as part of a projected big continental system, namely, the Atlantic and Lake Superior Railway. There is plenty of fine spruce in the Gaspé peninsula, of which the completed Baie des Chaleurs road would be the outlet, and Paspébiac, its intended terminus, the railway company hopes to make a great ocean port.

SCANDINAVIANS ALARMED.

The Scandinavian pulp makers having become alarmed at the constantly increasing shipments of pulp from Canada to England and the growing popularity of the Canadian article among British paper makers, the Scandinavian consul at Quebec was instructed by the Norwegian Home Office to report upon possible competition from Canada and the United States in the supply of wood pulp to Europe. The questions asked the consul were :

1. In which parts of Canada and the States are pulp mills so situated with regard to the facilities for shipping, in order to be able to compete advantageously in Europe? How many pulp mills are there?
2. What is the production of the mills? What proportion is mechanical pulp and what proportion is cellulose?
3. It is important to know how many mills can compete all the year round?
4. It would be of the greatest interest to learn how much the pulp costs the Canadian mills free on board.

The consul has reported that there is no reason to fear a growing competition from North America in wood pulp, but, on the other hand, a growing competition may be expected with European paper mills in all kinds of cardboards and paper. Pulp mills in Nova Scotia can compete advantageously in Europe, also the mills of the Sault Ste. Marie and Laurentide companies, but the two latter are putting in paper-making machinery. The output of mills exporting may be estimated at 315 tons dry mechanical and 23 tons of cellulose per day. The mills in Nova Scotia can compete all the year round. One of the largest manufacturers of wood pulp has estimated the labor for production of wood pulp "from stump to the car" at six days' wage per ton, running from \$1.25 to \$2, or, in other words, from \$9.50 to \$12, to which must be added cost of transport to the shipping port, which will vary according to the distance from the place of manufacture to the shipping port.