

SYMPOSIUM ON THE LOG DUTY.

POSITION OF "A" CRITICISED.

REJOINDER BY CANADENSIS.

THE symposium furnished your readers in the March number of your valuable journal recalls the wedding feast at Cana of Galilee, inasmuch as the better comes last. Or would it be more in accordance with the eternal fitness of things to say, first the bane and then the antidote. As a specimen of the argumentum ad ignorantiam, the communication signed "A" stands unique. The writer has determined to see no reason why the Canadians should be consulted in the matter of the export duty on logs. All his sympathy is for Yankee lumbermen and Yankee interests. To him Canada and Canadians are of no consequence, nor have they any rights of sufficient importance warranting a moments consideration.

Passing over the second paragraph, we come to the third with two misleading statements (1) prices here are regulated by United States markets, (2) the loss of over a million dollars. The prices paid here for Canadian lumber are not regulated by the United States markets. Anyone acquainted with the principles of political economy knows that the cost of production in this, as in every other article of value, largely determines the selling price. It is the veriest nonsense to maintain that, irrespective of this and other considerations, such as markets in various parts of the world requiring the same article, etc., the prices for lumber, above all other commodities, are fixed for us by one of many consumers.

Admit that one-half of the exported products of our forests is sent to the United States—we are strongly of the opinion that the amount is somewhat excessive—we must also remember that probably 60 per cent of that is, by the Americans, sent to foreign countries, and does not enter into their home consumption. This lumber exported from the United States comes into competition with our own direct exportation and the foreign markets to a certain extent regulate the prices for us as manufacturers and the Americans as go-betweens.

Had we no other markets, nor any other customers but one, then it could be understood how our prices would be regulated by that one; but as such is not the case the assumption that prices are governed by any one market is unwarranted.

The truth that the American is a middleman pure and simple, and buys to sell to foreign markets must not be forgotten. The question of prices is determined by the seller or manufacturer in the first place and the buyer or consumer in the last, and not by the one intervening.

It is apparent to every one who gives this question any attention that the very moment an export duty is placed on logs, the import duty of the United States will be taken off lumber and it will be admitted free. No fears need be entertained respecting an annual loss of a million dollars, nor that any lumberman who is cutting his timber will cease doing so for want of a purchaser, nor will there be fewer men employed, nor will the consumption of all that can be raised on the farms in the back country be any the less than at present. Many considerations can be adduced in support of this statement, principal among which are—the nature of the commodity, the ever increasing demand and constantly decreasing supply, the limited area from which it is to be obtained, the difficulty and time required to reproduce, and when reproduced its admitted inferiority consequent upon the changed environment, and the fact that Americans are purchasing largely of our limits. The pine of Canada is needed and must be had the world over. It is immaterial to the case whether or not in any one country the importation is a mere fraction in the market, the need and want is felt and must be supplied from the source of production.

Before any of the astute American buyers of limits purchased they no doubt made themselves perfectly familiar with every rule, law, etc., respecting the limits. They know that the Dominion government regulates trade and commerce; they know that there was an export duty on logs; they know that by an order-in-council that can be re-imposed; they purchased the timber sub-

ject to any order that may be passed in Council, now or in any future time according as exigencies might arise; all this is known to them, and any such exercise of the power inherent in our Government cannot be called a breach of good faith. The Dominion government never entered into any agreement not to impose an export duty on logs should they purchase timber. They bought subject to any act or requirement of the government of the country. To associate the term good faith with the name American betrays the grossest ignorance of modern English, inexcusable in any one at all familiar with current events. The name American is synonymous with bad faith, the grossest deception and the lowest forms of commercial immorality.

An export duty on square timber and waney pine shipped to Britain is not demanded for the simple reason, with others, that Great Britain does not exact an import duty. The conditions and requirements of the trade between Great Britain and Canada are such, that they do not come into competition with each other. Great Britain is a consumer of this article of commerce and does not buy from Canada to sell to the same markets as she does. Nor does Britain attempt to confine to herself the timber trade. Nor make our dealing with her contingent upon certain conditions; nor does she take the stand of an outlaw and thief and demand, on her own terms, that which does not belong to her, threatening, coward-like, instant destruction to the owner if the demand is not complied with.

To this time no arguments whatever have been advanced to show why an export duty should not be placed on all logs leaving Canada, but, on the other hand, every reason exists for the duty. It is denied that the Americans want, or more correctly, need our lumber. The mere denial does not alter the fact, that they do need, in the most intense signification of the word, our lumber; and the proof is so very positive and clear that not to acknowledge the fact shows either gross stupidity, or the denial is for some ulterior purpose, in this instance—evident.

If our lumber be not needed by the Americans why in the name of common sense are they purchasing so very extensively of our limits; why are they transporting our logs to their mills and manufacturing them there? Ten or twelve years ago little or none of this was done, as they had then a sufficient quantity of pine to supply the demand; but times are changed. Their supply of pine is practically exhausted and the demand has each year increased to so great an extent, that to meet it they are compelled to purchase timber in Canada. Their shipments to South America and other countries are very large, the bulk of which is Canada lumber. They are pushing the trade everywhere possible and know right well if lumber cannot be purchased by them in Canada, that trade will pass out of their hands.

It cannot be denied that at the present writing Canada is over-run with these American buyers, eagerly anxious to purchase and purchasing. Many of them are holders of extensive limits, and as stated by one of them, will soon be the owners of all the pine to be obtained. For this reason, as well as others mentioned above, an export duty should be placed on logs whether the United States take off their duty or not. The action of our government should not be regulated by any consideration of what may be done in the premises by the American government. In allowing our logs to be taken from Canada to be manufactured elsewhere, we are trading with the simple production of the earth, upon which no time, care, nor skill has been expended in the cultivation; a form of trade more suited for a semi-civilized race, than for a people to whom the teachings of all great commercial countries are known.

In so trading, such productions having well defined bounds, we limit our commerce, prevent the growth of industry, and the acquiring of skill, inventive and other, and most of all compel the most promising of our youth to leave their country, and seek a more congenial clime for the development of their nascent powers.

The numerous articles of commerce, into which timber, as well as our mineral products enter, could be manufactured in Canada, affording employment to thousands, increasing our wealth, extending our commerce, expanding the inventive faculties of our youth, adding to our material and intellectual prosperity, and spreading

among us a higher knowledge of the arts and sciences. As it is we are impoverishing ourselves, retarding our progress, and enriching a boorish, selfish neighbor.

CANADENSIS.

REJOINDER BY WM. LITTLE.

I HAD intended sending a reply to controvert the absurdities contained in an article which appeared in your last issue over the signature of "A," but that I recently received a copy of a speech, or rather a travesty, on the subject of the export duty on sawlogs, delivered in the House of Commons by John Charlton, M.P., of which this article is evidently a synopsis, for I see that it begins with one of this gentleman's fallacies about the re-imposition of the export duty on sawlogs, as he says: "Entailing a loss of over a million dollars annually in the shape of additional duty paid into the United States Treasury," the absurdity of which may be seen when the whole duty on our pine lumber going to the States is but half this amount. Even if we had to lose the whole of the duty, which would not be the case if we withheld the logs, or exacted the \$2 export duty, for then they would ask this much more for the lumber made from these logs, and actually enable us to advance the price of our lumber above the additional duty. This is, however, about as near as this gentleman's random shots usually are.

Then he enlarges in the most doleful manner on the calamity to befall the Canadian lumber trade when the Bill, introduced for Buncombe only, by Mr. Charlton's Bogie Man, Weadock, became law, sometime in the Greek Calends, which is to add the export duty to the import duty, and compel the American people to pay \$4 duty on Canadian white pine lumber, and which would receive consideration from Congress just long enough to throw it into the waste basket. The American lumbermen are not so dearly beloved by the American people that they would submit one minute to an imposition of this kind in order to enable their lumbermen to "rob" us of our timber, the expression used by an hon. gentleman who recently occupied the place now filled by Mr. Weadock, but who would have nothing to do with such rascally work. The American people, on the contrary, would be delighted if we did not let these lumbermen have a single log till they permitted Congress to remove the duties from Canadian lumber, a measure they will do their utmost to prevent so long as we are so idiotic as to let them have the logs free without doing so. Their whole excuse, now that they are running out of timber, is that from the fact they now get the logs free they can give their people free lumber without removing the duties on what we manufacture.

"A" seems to think that I have some special theory on the subject of duties different from the ordinary run of people, but I beg to assure him I have none; and when he talks of mill culls selling at Bay City at \$7 and that they only fetch \$6 on the Georgian Bay, I don't dispute him in the least, except that I believe the prices quoted a little too low. I simply mean that I think they would probably fetch even \$7 on the Georgian Bay if Bay City had none to sell at \$7 or at any other price, which is the exact condition in which matters would now stand if we had not, as it were, bonussed over to Bay City more sawlogs last year than Bay City has now on hand of sawn lumber of all kinds, including mill culls. That's all the theory I have on the subject.

"A" has my thanks, however, for the special notice, as also for supplying the truly gratifying intelligence that this rascally free log exporting business has not yet entirely ruined Midland, it has only closed down already four mills there, which, I believe, is about four-fifths of the milling industry; this done in two years gives just six months' grace to close the remainder, so I presume we should be truly thankful that it is no worse. There is this at least to be said in favor of the working of this free log exporting business, that if it is a little painful it is not very prolonged. But, that we may rest fully assured that "A" is not the least niggardly in the matter, and that he is in fact "as mildly mannered man as ever scuttled ship or cut a throat," is at once apparent from what he says, for "all he asks is to be let alone and not interfered with, to allow the logs