voured to substitute it, but was forced by the men to use twice as great a thickness of Douglas fir as had been customary in Baltic, for fear it might not be as strong. The same obstacle was met when Douglas fir planking was introduced in British naval yards last year. Similar conditions prevail in the use of Pacific Coast woods for finish and trim. A few cases of dry rot, which might have been prevented, were, through the lack of interested representatives on the ground, allowed to wipe out Douglas fir as a flooring in Africa. No imported flooring, other than Scandinavian, is used in Australia, although our spruce or hemlock would do quite as well. In the tropical Fiji Islands Douglas fir floors have given absolute satisfaction for almost a generation; in every other country visited they are almost unknown. South African railways have always preferred pitch-pine and Baltic for railway truck sides and flooring, and have consistently refused Douglas fir as a substitute for pitch-pine car sills. On the other hand, in a similar climate Douglas fir is used with satisfaction in Australia.

Australian mines depend wholly upon Douglas fir for mining timbers. They believe Canadian fir to be heavier than timbers from the United States, and as the mining timber is hauled several hundred miles inland by rail they have placed an embargo on the use of Canadian timber. On the other hand, less than half the mines of South Africa will use Douglas fir; pitch-pine is the staple wood and is used at consistently higher prices. The mines that use Douglas fir haul it 500 miles inland; about two-thirds of the fir they use is Canadian, and none of them have yet discovered that it is heavier than that from the United States. If Canadian timber is not heavier in Africa it should not be heavier in Australia. If Douglas fir represents a saving to one-half the mines of South Africa it should represent a saving to the other half.

It must be admitted that Pacific Coast woods are only yet in their preliminary uses abroad. Four factors which must lead to increased use of these western timbers may be briefly reviewed.

(1) Many countries importing our woods have in the past depended upon us for almost a negligible supply of their requirements. Even Australia produces domestically twice as much timber annually as is imported. Our timber is used only for studding, rafters, joists, and rough construction and sheathing. Australian supplies, as well as those of New Zealand, are rapidly diminishing. Imports must increase to make up the balance.

(2) Great Britain and Europe have depended upon European supplies, chiefly adjacent to the Baltic. The prodigal use of timber during the war, the construction during the war of probably four times as many buildings, public works and improvements as now exists in Canada and the obliteration of forests along the widespread firing line, must have upset the forest balance of Europe and created a deficit to be met from importations.

(3) Many importing countries are on the threshold of development. This is particularly true of Africa, Asia, Australia and South America. The development of these countries will not open up new supplies of coniferous timber, cheaply produced, easily worked, adaptable to a variety of uses. Importations will therefore increase.

(4) The field from which imports may be drawn appears to be narrowing. Scandinavian exports to countries outside Europe must shrink. Pitch-pine exports to all countries must shrink. Importers in all countries have marked a consistent falling off in the quality and dimension of pitch-pine exports in the past ten years. These have been the two chief exporting regions. We stand ready to make good their losses with timber suitable for the same purposes.

These factors governing the offshore demand for fir act constantly and rather rapidly. The substitution of Pacific Coast woods for Baltic and pitch-pine has been greatly aided by the war. The enormous demand suddenly created forced thousands of wood-working establishments, railroads, industrial concerns, engineers, to utilize stocks of Douglas fir for purposes for which they would have refused it under any other circumstances. They are now familiar with the timber and in the future will accept it whenever it is cheaper. The demand for the timber, in spite of the preferred Baltic and pitch-pine competition, could be greatly increased if the combined Pacific Coast manufacturers co-operated to educate foreign consumers, as is done by the producers of practically all other commodities.

I am not yet prepared to say, taking into account the effects of increased timber use, diminution of other supplies and more effective marketing organization, what may be the expected volume of demand for Pacific Coast woods. The market could readily be doubled at present if modern selling methods were adopted. Taking into consideration the other factors mentioned, I believe it may be again quadrupled in a decade.

Against this probable new demand for timber must be set the possibility of opening up Eastern Russian forests. Great areas of pine and spruce exist near the Pacific Ocean in Russian territory. A small export business is now developing. It is to be feared that British, European and Japanese capital will here open up new forest areas, with unfortunate results for us. I shall look into this question within the next few months.

Granted an increasing market, we have yet no assurance that it will greatly assist us in taking care of the over-production in Western Canada. We do not get as great a share of the business now as we might because we do not endeavour to get it. Excepting for a very few mills, who have kept in touch with the export business, the attitude of the manufacturers has been "we do not care about export business." The reasons for this lack of interest in the export trade are few and readily located. The mills at present existing were built especially for the rail trade. Such export trade as was looked for was chiefly in schooners not loading over seventy-five thousand feet per day. Ninety per cent. of the export trade in normal times has passed to steamers loading as high as four hundred thousand feet per day. Not sufficient Canadian mills have kept pace with the loading facilities existing in the United States to constitute this a competitive buying market. The mill managers and owners in Canada have almost all been more familiar with the rail trade and have given more care to its development. Many of our mills are not, taking overhead into consideration, in a position to manufacture for the export market at costs competitive with the United States. The domestic market has appeared at various periods, the present for instance, to return higher prices than the export market. Whenever the domestic market has been higher most of the Canadian mills have neglected their export opportunities, with the result that few permanent connections have been developed. Canadian mills are criticized by many buyers for showing an unwillingness to quote on inquiries for future delivery, for getting behind on deliveries of both parcel shipments and cargoes, and for overlooking many little points of attention to foreign customers.

These conditions existing over a term of years have almost closed British Columbia ports against the export of lumber. The foreign importer has discovered by experience that the manufacturing and exporting facilities for handling all the items likely to come up in a large cargo trade, do not exist in our ports to such an extent as in United States ports. Therefore all foreign connections have been established in United States ports, with the result that shipping and merchandizing of all lumber sold foreign is controlled by United States interests. If the export trade increased rapidly we would get little or none of the increase, so long as our present facilities and attitude remained unchanged.