

drive the Canadian dealer in round timber from the market of Western New York, and leave the Michigan dealers masters of the situation, and it may be remarked *en passant*, that our export duty is immensely popular with all Michigan timber dealers, who feel that it is very seldom that two governments zealously promote the same industrial interest, and that in efficiency of protection, the natural guardian of the interest falls short of its natural enemy.

EFFECTS OF EXPORT DUTY UPON BUSINESS.

Last year the round timber trade of the County of Norfolk put over \$200,000 in circulation. The present year not more than one-fourth of that amount will be expended, and a considerable portion of this will be expended under compulsion, as in cases where contracts could not be recalled, and where the time for removing timber expired the present year. The production of sawn lumber has not been increased by the duty, and the effect of a shrinkage of three quarters of the annual amount of the round timber trade is plainly visible in the complete stagnation of business throughout the entire County, consequent upon the withholding of about \$150,000 from the channels of trade. While export duty was levied under the Tariff Act of August 15th, 1866, several lumbering firms left the County of Norfolk and emigrated to Michigan, accompanied and followed by many labouring men; and should the present policy be continued in force it is morally certain that nearly the entire amount of capital embarked in the round timber trade of Norfolk will be transferred to Michigan, accompanied by the deportation of hundreds of labouring men.

DOES THE CONSUMER PAY THE DUTY?

Not in the case of saw-logs and round pine at least, for the market where they are sold can be supplied as cheaply with round timber from Michigan as from Canada. The cost of towing from Saginaw Bay to Buffalo is about \$3 50 more per M, in American currency, than the cost of towing from Canada; but the first cost of pine lands is less in Michigan than in the County of Norfolk, the timber is nearer the streams, and the cost of putting it afloat is less than in Canada; the streams are larger than the rafting streams