

**CIHM  
Microfiche  
Series  
(Monographs)**

**ICMH  
Collection de  
microfiches  
(monographies)**



**Canadian Institute for Historical Microreproductions / Institut canadien de microreproductions historiques**

**© 1994**

Technical and Bibliographic Notes / Notes techniques et bibliographiques

The Institute has attempted to obtain the best original copy available for filming. Features of this copy which may be bibliographically unique, which may alter any of the images in the reproduction, or which may significantly change the usual method of filming, are checked below.

L'Institut a microfilmé le meilleur exemplaire qu'il lui a été possible de se procurer. Les détails de cet exemplaire qui sont peut-être uniques du point de vue bibliographique, qui peuvent modifier une image reproduite, ou qui peuvent exiger une modification dans la méthode normale de filmage sont indiqués ci-dessous.

- Coloured covers/  
Couverture de couleur
- Covers damaged/  
Couverture endommagée
- Covers restored and/or laminated/  
Couverture restaurée et/ou pelliculée
- Cover title missing/  
Le titre de couverture manque
- Coloured maps/  
Cartes géographiques en couleur
- Coloured ink (i.e. other than blue or black)/  
Encre de couleur (i.e. autre que bleue ou noire)
- Coloured plates and/or illustrations/  
Planches et/ou illustrations en couleur
- Bound with other material/  
Relié avec d'autres documents
- Tight binding may cause shadows or distortion  
along interior margin/  
La reliure serrée peut causer de l'ombre ou de la  
distorsion le long de la marge intérieure
- Blank leaves added during restoration may appear  
within the text. Whenever possible, these have  
been omitted from filming/  
Il se peut que certaines pages blanches ajoutées  
lors d'une restauration apparaissent dans le texte,  
mais, lorsque cela était possible, ces pages n'ont  
pas été filmées.
- Additional comments:/  
Commentaires supplémentaires:

- Coloured pages/  
Pages de couleur
  - Pages damaged/  
Pages endommagées
  - Pages restored and/or laminated/  
Pages restaurées et/ou pelliculées
  - Pages discoloured, stained or foxed/  
Pages décolorées, tachetées ou piquées
  - Pages detached/  
Pages détachées
  - Showthrough/  
Transparence
  - Quality of print varies/  
Qualité inégale de l'impression
  - Continuous pagination/  
Pagination continue
  - Includes index(es)/  
Comprend un (des) index
- Title on header taken from: /  
Le titre de l'en-tête provient:
- Title page of issue/  
Page de titre de la livraison
  - Caption of issue/  
Titre de départ de la livraison
  - Masthead/  
Générique (périodiques) de la livraison

This item is filmed at the reduction ratio checked below/  
Ce document est filmé au taux de réduction indiqué ci-dessous.

10X	12X	14X	16X	18X	20X	22X	24X	26X	28X	30X	32X
						✓					

The copy filmed here has been reproduced thanks to the generosity of:

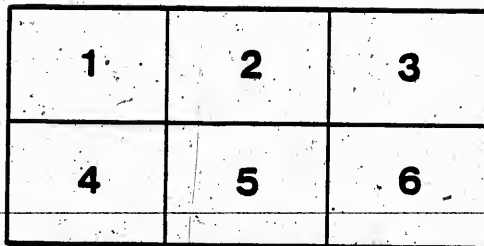
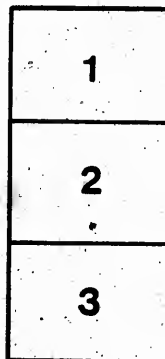
Archives of Ontario  
Toronto

The images appearing here are the best quality possible considering the condition and legibility of the original copy and in keeping with the filming contract specifications.

Original copies in printed paper covers are filmed beginning with the front cover and ending on the last page with a printed or illustrated impression, or the back cover when appropriate. All other original copies are filmed beginning on the first page with a printed or illustrated impression, and ending on the last page with a printed or illustrated impression.

The last recorded frame on each microfiche shall contain the symbol  $\rightarrow$  (meaning "CONTINUED"), or the symbol  $\nabla$  (meaning "END"), whichever applies.

Maps, plates, charts, etc., may be filmed at different reduction ratios. Those too large to be entirely included in one exposure are filmed beginning in the upper left hand corner, left to right and top to bottom, as many frames as required. The following diagrams illustrate the method:



L'exemplaire filmé fut reproduit grâce à la générosité de:

Archives of Ontario  
Toronto

Les images suivantes ont été reproduites avec plus grand soin, compte tenu de la condition de la netteté de l'exemplaire filmé, et en conformité avec les conditions du contrat de filmage.

Les exemplaires originaux dont la couverture en papier est imprimée sont filmés en commençant par le premier plat et en terminant soit par la dernière page qui comporte une empreinte d'impression ou d'illustration, soit par le second plat, selon le cas. Tous les autres exemplaires originaux sont filmés en commençant par la première page qui comporte une empreinte d'impression ou d'illustration et en terminant par la dernière page qui comporte une telle empreinte.

Un des symboles suivants apparaîtra sur la dernière image de chaque microfiche, selon le cas: le symbole  $\rightarrow$  signifie "A SUIVRE", le symbole  $\nabla$  signifie "FIN".

Les cartes, planches, tableaux, etc., peuvent être filmés à des taux de réduction différents. Lorsque le document est trop grand pour être reproduit en un seul cliché, il est filmé à partir de l'angle supérieur gauche, de gauche à droite et de haut en bas, en prenant le nombre d'images nécessaire. Les diagrammes suivants illustrent la méthode.

it grâce à la

reproduites avec le  
de la condition et  
filmé, et en  
du contrat de

t la couverture en  
is en commençant  
nant soit par la  
ne empreinte  
soit par le second  
res exemplaires  
mençant par la  
ne empreinte  
nt en terminant par  
une telle

paraitra sur la  
rofiche; selon le  
A SUIVRE", le

etc., peuvent être  
différents,  
grand pour être  
et filmé à partir  
gauche à droite,  
le nombre  
ammes suivants


MICROCOPY RESOLUTION TEST CHART

(ANSI and ISO TEST CHART No. 2)



APPLIED IMAGE Inc

1653 East Main Street  
Rochester, New York 14609 USA  
(716) 482-0300 - Phone  
(716) 288-5989 - Fax

Hon. Sir Oliver Mowat  
with regards of  
E. W. Rathbun

1898  
Box 1

20

**The Conference**  
and **The Lumber Question**

**From a Canadian Standpoint.**



DESERONTO, ONT., Sept. 21th, 1898.

To the

RIGHT HON. SIR WILFRID LAURIER, G.C.M.G.,

SIR RICHARD CARTWRIGHT, K.C.M.G.,

SIR LOUIS H. DAVIES, K.C.M.G.,

and

HON. JOHN CHARLTON,

Canadian Commissioners at Quebec.

DEAR SIRS:—

Among the numerous international questions under discussion by the Quebec Conference, there is none of more vital importance to the prosperity of Canada, and more especially of the Province of Ontario, than that respecting the maintenance or abandonment of the existing Law prohibiting the exportation of saw logs. It is an issue so significant in its relation to the development of one of our great staple industries and the various and widely extended interests dependent upon it, as well as its bearing upon the general trade policy of the country, that its various phases cover a wide field and include some considerations which, at first sight, may appear extraneous. I desire, as briefly as is consistent with a clear and intelligible presentation of the case, to present some of the reasons which demand the retention of the provision requiring the home manufacture of our logs and timber.

It is unnecessary to emphasize the vast importance of our lumbering interest and the position it occupies as a factor in national prosperity, both present and prospective. Whether regarded as the source of a leading article of commerce for which the world furnishes a sure and continually increasing market, the foundation of a large proportion of the public revenue, or the pioneer and precursor of settlement and civilization, opening the way for agricultural development, and fostering many allied and subsidiary branches of industry entirely or largely dependent upon it, the lumber trade is so prominent a feature of our national life that any serious blow to its prosperity would be vitally injurious to Canada's progress and well-being. This being universally recognized, it is only natural that far-sighted and prudent statesmen and political economists have, for many years, been gravely concerned about the future of an industry so closely bound up with the general welfare. They have foreseen the time when if the forests were recklessly destroyed by a policy of mere exploitation, without thought or care for the needs of the future, the supply of timber must be exhausted, and all the varied activities and resources due to the wealth of forest raw material at our demand, gradually disappear. Warned by the experience of other communities where the destruction of the timber has left large despoiled and impoverished regions without resources or employment for the inhabitants, our legislators have sought to avoid these calamities by inaugurating a policy of timber preservation. Recognizing that



large tracts of territory in the northern portions of Ontario are unsuited for agriculture, owing to the character of the soil, and can only be productive by being kept perpetually in timber, the Government of the Province, by recent enactments, has taken steps with the object of putting the lumber industry on a permanent basis. Instead of being regarded as in its very nature a temporary activity, incidental to the clearing of the country for settlement, it is now realized that sound public policy requires that land not suited or needed for agriculture, should remain in forest, enabling the lumbermen to harvest a periodical crop and the Government to receive a permanent revenue from territory which, if stripped of timber, would be rendered practically valueless in itself and of national injury.

In pursuance of this wise and statesmanlike policy, large sections are being set aside as permanent timber reserves. A fire-rangin system has been adopted, under which those devastating forest fires, formerly so prevalent, which destroyed greater areas of timber than the axe of the timberman, have been rendered much less frequent and destructive.

Regulations have been adapted by which persons whose presence may be a source of danger, owing to their careless or wanton kindling of fires, may be removed from the Crown domain. With the lessening of the danger of loss from bush fires, the main incentive to the rapid and wholesale clearing of all available timber on a limit, has been removed, and the license holder encouraged to pursue more thrifty and economical methods. A Forestry Commission has been appointed, which is now making investigations with a view to recommending such further measures as may be considered advisable, with the object of preserving large areas of the Crown Domain in forest, furnishing a permanent and continuous source of timber supply, as well as preserving those conditions of climate and moisture which are requisite to the maintenance of agricultural fertility. All this has been done with practically unanimous consent and approval of the public as voiced by their representatives in the Legislature and through the press irrespective of party. In short, it may truly be said that no feature of the policy of the Provincial Government of Ontario has commended itself to the sound judgment of the country, in a greater degree, than the steps taken in the direction of forest preservation.

The free exportation of saw logs to the United States in the face of a duty of \$2.00 per thousand upon Canadian lumber practically means, if not the entire reversal of this policy, the neutralization of its hoped-for good effects. It means, instead of encouraging the Canadian lumberman to regard his interest in the limit as a permanent, established connection to be worked economically, with the minimum of waste and destruction and an eye to the future—the leasing of large tracts of the people's heritage to be stripped as expeditiously as may be of all that renders them valuable and left an unproductive waste.

The limit holder, cutting logs for export to Michigan, has few of those motives for falling in with the new policy of forest preservation which appeal to the Canadian manufacturer. He has no particular interest in the general prosperity of the country. His home may be in the United States. His other interests, investments and connections are apt to centre there. Not only have some operators no special concern in building up and promoting Canadian institutions and forwarding Canadian progress, but are likely to be very largely embarked in enterprises of a competitive character which they are anxious to develop at our expense. An extensive stockholder in American railways, for instance, could hardly be expected to seriously regret the falling off of Canadian railroad traffic in consequence of the country's diminished prosperity. The American lumberman whose mills are across the border and who is a Canadian limit holder, simply because his own country has been stripped of this raw material, is here largely as an exploiter. He seeks the resources that are essential to his business, giving the very minimum of cost and labor at which they can possibly be secured. He is hardly likely to be

more c  
country

The  
citizen  
does no  
be real  
interest  
which  
holder  
factor  
of all k  
His ho  
fortun  
that h  
carry  
Govern  
the lu  
maneu  
operat  
license  
class t  
Govern

By  
a stea  
some s  
creasin  
ing res  
logs at  
resulti  
the A  
imper  
for lur  
How r  
point  
writte  
" amc  
" win  
" the  
" thi  
" aut  
" only  
" cot  
" 1000  
finned  
partn  
publis  
" feet  
" bill  
" whi  
" mar  
" nat  
ed to

If  
300,00  
prohi  
roads  
the A  
porta

more conservative in his methods, more interested in the welfare of the foreign country from which he draws his wealth than he has been in that of his own.

The Canadian lumberman, on the other hand, is as a rule concerned as a citizen in advancing the general prosperity and building up the country. He does not look at matters solely from the standpoint of the immediate profit to be realized by the cutting of so many logs. Usually he is a man of varied interests and extended business relations outside of his principal vocation, which depend upon and are interwoven with our national life. He is a stockholder in Canadian banks and loan companies. He owns land, farms and factories. He has an interest in insurance, railway and joint-stock enterprises of all kinds and in the well-being of his fellow citizens of the working class. His home is here, his family and connections are here. In every way his fortunes are bound up with those of the country in which his lot is cast, so that he can be successfully appealed to to co-operate with the Government in carrying out any policy having in view the public interest. The Provincial Government has fully realized that the sympathetic support and assistance of the lumbermen, based upon a far-seeing view of their interests in the permanence and stability of the lumber trade, is essential to the successful operation of a broad policy of forest preservation. In dealing with American license holders or others cutting logs for exportation, they have to do with a class to whom most of the considerations in favor of co-operating with the Government in such a course, do not appeal.

By the adoption and extension of a policy of forest preservation we secure a steady and perpetual future supply of timber, the marketing of which, in some stage of manufacture, will be a source of national wealth, continually increasing in volume as prices for forest products advance by reason of diminishing resources abroad. By a reactionary step such as the free exportation of logs and pulp timber, we not only deprive ourselves of the present advantage resulting from the manufacture of lumber, etc., at home, but by encouraging the Americans to draw freely on our forests, exhaust our timber lands and imperil our future prospects. The American, as well as the Canadian, demand for lumber and pulp, is certain to increase seriously in the next few years. How near the White Pine forests of the American North-West are to the point of total exhaustion, may be gathered from a pamphlet by Arthur Hill, written in the spring of 1897, which states that "In round numbers, the amount standing in the North Western States previous to the cut of the past winter (1896-7) was 33,000,000,000 feet and the amount of Pine lumber cut at the mills during the past ten years was 77,000,000,000 feet, or two and one-third times the amount now left standing." According to the same authority, "The amount of Pine timber remaining in Michigan is (i.e. 1896-7) only 5,000,000,000 feet—the trees of our White Pine forest are numbered 'concludes the writer.' We can write the date now in substantial truth—1903—the year when our last Pine tree is gone." These statements are confirmed by the report of Filibert Roth, special agent of the United States Department of Agriculture on the "Forestry Conditions of Northern Wisconsin," published in 1898, in which he says: "Of an original stand of about 130 billion feet of Pine, about 17 billion feet (White and Red) are left, besides about 12 billion feet of Hemlock and 10 billion feet of Hardwood. The annual growth, which at present amounts to 900 million feet, and of which only 250 million is marketable Pine and over 500 million feet Hardwood, is largely balanced by natural decay of the old over-ripe timber." The cut in the year 1893 amounted to 3,500,000,000 feet, at which rate the supply will barely last five years.

If to supply the loss and keep the lumber mills of Michigan in operation, 300,000,000 feet in saw logs, were in one year imported from Ontario before the prohibition of export went into operation, how much greater would be the inroads on our forests in the course of a few years when the remaining supply in the American North-West has disappeared, and in Spruce timber for Pulp the exportation is rapidly assuming even larger proportions. Under any circum-

stances short of an absolutely prohibitive tariff, the trade in forest productions in one form or other is certain to be very greatly augmented. New York and the New England States must look to Canada for White Pine lumber and Pulp-wood. It is to the interest of the Americans to secure all they can in the form of raw material, so as to retain for themselves the profit and the population resulting from the various stages and grades of manufacture from the saw log and wood for pulp to the finished article of commerce being conducted within their borders. It is none the less our interest and our obvious duty to see to it that, as far as possible, these advantages accrue to our own people and build up Canadian industries.

In any case, it will need all the caution and far-seeing, enlightened self-interest of our legislators to safeguard our forests as a heritage for the future against the pressure of a sudden and profitable demand consequent upon the complete destruction of the American White Pine forests, and the growing market for Pulpwood. The conservation of a permanent source of supply will require strict regulations as to the cutting of timber, if the same results as the Americans are now lamenting in the destruction of wood lands once deemed inexhaustible, are to be avoided. With such possibilities in view it is a reasonable demand that Canadians shall not merely furnish at a trifling fraction of its prospective value in the near future, the raw material to keep up American saw mills and factories and aid the maintenance of American lumbering towns, but shall themselves secure all the advantages consequent upon the development of thriving industries dependent upon a cheap and plentiful supply of Spruce and Pine and to consider and apply which there is not a moment of time to be lost.

The Government have it in their power, by their treatment of this question, either to foster and encourage a class of Canadian industries which are specially deserving of such encouragement, or to destroy the measure of prosperity now existing in the lumbering districts and effectually depress and discourage native enterprise by giving a premium to the pursuit of such industries abroad. The lumbering trade develops the general business of the locality near which it is carried on. It furnishes farmers with a home market for their produce. It provides employment for many laborers in the mills, whose wants are supplied by local dealers. It builds up back woods settlements, villages and towns. Even where the manufacture never reaches beyond the first stage of the conversion of logs into lumber, a busy and thriving population find employment and subsistence through its operations. But there are other branches of manufacture, which either use lumber as their raw material, or avail themselves of the waste and by-products of the forest which are carried on as auxiliary to and dependent on lumbering. A sound and sensible policy of protection, whether by tariff or otherwise, seeks not to encourage the production of industries which are pursued here at a relative disadvantage, but to develop what may be termed natural, as distinguished from exotic, manufactures. Obviously, Canada furnishes special facilities for every kind of manufacture in which lumber or wood of any sort forms the principal raw material. The abundance and variety of our resources in contrast with the growing scarcity of timber in the countries with which we have the largest trade, indicate wood-consuming industries especially worthy of public encouragement. Moreover, the greater and the more varied these activities are, the less will be the waste and loss attendant upon lumbering operations and the larger the benefit secured by Canadians from the yearly lumber harvest. To carry forward and develop the manufacture of forest products in the highest degree, sending forth the finished article into the markets of the world in place of the raw material, is the only way in which we can realize the full value of our forest resources. Such industries as waggon and carriage-making, handles and chair stock, furniture, sash and door manufacturing, woodenware, barrels and casks, charcoal burning, wood distilling, pulp and paper mill stock, agricultural implement stock, railway ties and posts, shingles and others in which

wood is largely used are naturally located to the best advantage near the lumber mills and thrive by reason of a readily accessible supply of material.

We possess to some extent the same advantages which were enjoyed by Michigan manufacturers when they were provided with an abundant supply of raw material at their doors, but hitherto we have lacked the enterprise that, in their case, induced the establishment of wood-working factories of various kinds, charcoal burning, iron furnaces, etc. Such industries, if inaugurated before the removal of the better class of timber, will remain to be supported by the supply from the inhabitants of the rough and broken land of the back country, provided that they can be instructed in the care and replanting, largely by natural seeding, of forest trees upon such portions of their lots as are unsuited to other purposes. Nothing will teach the backwoods settler the value of trees now so lightly estimated and the practical utility of forest preservation, so effectively, as the steady market for timber at fair prices furnished by the establishment of such manufactures.

To remove the prohibition on the export of saw logs would be a fatal blow at the best interests of the community dependent upon the lumber trade. In place of a resident population, furnishing a steady home market, there would be merely the trade of a transient body of employees engaged in cutting and carrying away the timber, at the low wages usually paid to unskilled labor. The towns built up by the location of saw mills would languish and decay. The population deprived of work at home would be compelled to follow the trade abroad. The element of permanency and stability so desirable to the prosperity of the various interests dependent on the lumber mills would be lacking. Governed by the fluctuations of a large market, liable to be affected by commercial panics and labor troubles and a frequently changing tariff system, there would be spasmodic activity one year and stagnation the next. The subsidiary industries, the manufacture of by-products and the working up into salable articles of the refuse and leavings of the lumberman which it is so desirable to encourage, would be rendered impossible and the larger and more important branches of manufacture requiring lumber, would be handicapped by the removal or abandonment of the Canadian saw mills. Another important Canadian industry which would suffer from the removal of the saw mill industry from its natural centre in Ontario to Michigan, is that of the transportation companies. Logs taken across the border are simply floated down the rivers and towed by American tugs to the Michigan mills. When manufactured into lumber in Canada, the product furnishes one of the most important items of freight for Canadian railways and vessels.

If the picture of the heavy losses entailed on Canadian industries by the reversal of the policy of prohibiting the shipment of logs and pulpwood appears somewhat overdrawn, I would ask you to bear in mind that while I am considering the actual conditions, to a material extent, existing to-day, I am endeavoring to forecast the result of such a course in that near and inevitable future when the total exhaustion of American White Pine will increase the demand from that quarter on Canadian forests, and the consequent increase in prices afford an incentive to the American limit-holder to make the work of devastation as rapid and thorough as his resources and the regulations of the Government will permit. The supply of the needs of a limited home market and the making up of a comparatively fractional shortage in the American output which constitutes the present drain upon our lumber producing area, is a very different matter from furnishing a greater portion of the annual cut now drawn from the fast disappearing Pine woods of Michigan, Wisconsin and Minnesota. When these have reached the vanishing point so near at hand, with the \$2.00 duty on lumber still maintained, and the Canadian embargo on logs removed, it needs no prophetic instinct to anticipate the ruin of the native lumbering interest and all its allied and dependent industries within that stretch of timber lands from which logs may be taken to Michigan and those

areas that can be drawn on by New York and the New England States for Pulpwood. The only element of improbability in such a forecast is the untenable supposition that any body of Canadian legislators would effect such a sacrifice of the plainest and most obvious interests of the people of the Dominion and inflict so irreparable an injury on our national prosperity. Should such a proposition prevail in place of a forward policy of encouraging a great national industry throughout its higher and more profitable forms of fine and finished manufacture, making Canada as she should and might be the wood-working nation of the world, we shall have yielded the vantage ground already gained, handed over our natural advantages and facilities to a rival and become literally speaking "mere hewers of wood and drawers of water" to neighbors who thrive and prosper at our expense.

The Americans, as the figures I have quoted show, will have our lumber whether they obtain it in the form of saw logs to be manufactured in their own mills or sawn here. This being the case, the argument that the prohibition of the exportation of logs entails a loss to the country, requires but little consideration. While their precarious and rapidly diminishing supply holds out there may be a temporary falling off in the importation which can be cheerfully borne in the knowledge that in a very few years, scarcity of the home yield will compel them to come to our terms. Should they continue the \$2.00 duty, it will then be at the expense of their own citizens as, failing a domestic supply, the consumer will be compelled to pay the duty in the form of an augmented price. The English market, moreover, is taking an increasing amount of our forest products which will amply compensate us for a falling off in the American demand in the meantime and help to build up the trade in manufactured goods within the empire which it is specially desirable to promote.

Debarred from the opportunity of cutting logs for export, it is an absolute certainty that the American lumberman, in the default of other sources of supply, will transfer his saw mill enterprises to Canadian soil. In place of Canadian mills disappearing, they will be increased by the accession of many who will remove their investments from Michigan and other exhausted lumber regions to the still comparatively productive and profitable fields of operation in Ontario, bringing with them population, distributing capital, building up our rural settlements and in many ways contributing to the development and prosperity of the country. Establishing themselves here, they will be more disposed to accept and co-operate with the policy of putting the lumbering trade on a permanent and enduring basis by preserving the forests than if they regarded their limits as mere temporary and accidental feeders to an industry having its seat elsewhere. In short, they will possess a stake in the country and a personal, direct interest in its progress which will make them valuable acquisitions instead of transient speculators in our resources. Previous to the change some extensive American operators had effected a transfer of their manufacturing establishments to their holdings in North-Western Ontario, giving a notable stimulus to the trade and prosperity of the localities in which they are interested. It would be grossly unfair to these men if we should, by a weak concession to the demand of their business rivals, put them in a worse position than those who simply aim to exploit our resources, with the least possible return therefor to us. If the question of vested rights is to enter into the argument, it is one which has two sides. We cannot respect the vested rights of absentee limit-holders, or even of those Canadians who would export their logs, without violating those of Canadian lumbermen who may fairly claim that the country should afford every reasonable measure of protection to an industry threatened by hostile legislation abroad and likewise those of the American lumbermen who have recently transferred their mills from Michigan to Canada. Of the two conflicting sets of vested rights, the latter has decidedly the stronger claim to consideration and the regulations of the Crown Lands Department, it has in every instance been agreed, should govern.

It is  
ployed t  
simply  
legislati  
portion  
made th  
was not  
interest  
Michiga  
where.  
whose l  
due, to  
and not  
factory  
the trac  
spirit to  
internat  
would  
while a  
to perp  
the des

In  
reasons  
Crown  
views o

"I  
" logs  
" to be  
" to 10  
" indu  
" the  
" No n  
" as w  
" that  
" treat  
" num  
" men  
" shal  
" from

TH  
recent  
there  
who a  
of wh  
contai

D  
waste  
take o  
demar  
acteri  
doubt

C  
ber f  
access  
exha  
sent e

It is to be regretted that the misleading term "Retaliation" has been employed to characterize a policy, which, in spirit and intention, is purely and simply defensive and seeks only to protect against the effects of injurious legislation abroad, an industry upon which the subsistence of so large a proportion of our people depend. The assault upon our lumber interests which made the prohibition of saw log exportation a necessary protective measure, was not inspired by the American lumbermen as a class, or conceived in their interest. It emanated from a few influential men in the single state of Michigan. It is directly hostile to the interests of American lumbermen elsewhere. By such a concession as will permit the Michigan lumbermen, to whose influence the discriminatory provision of the tariff on lumber is entirely due, to obtain their supplies of saw logs here, we strengthen their influence and not only enable them to compete successfully against our lumber manufacturers, heavily handicapped by the tariff, but put them in a position to take the trade from other American operators who have been forced to promote spirit towards us. Some sacrifices may occasionally be required to promote international good feeling, but in this instance, a privilege such as is demanded, would merely promote the selfish interests of a comparatively small clique, while at the same time putting into their hands the means and the incentive to perpetuate the discrimination against our own products in their markets to the destruction of some of our industries and the injury of all.

In conclusion, permit me to quote a paragraph from the vigorous and well-reasoned letter of Mr. John Waldie to Hon. J. M. Gibson, Commissioner of Crown Lands for Ontario, bearing date September 19th, 1898, as embodying the views of the great majority of Canadian lumbermen:—

"It would be impossible for anyone to successfully continue the sawing of logs into lumber in Ontario if conditions allowed Eastern Michigan mill men to become the purchasers of Pine trees with \$2.00 advantage, which is equal to 100 per cent. over the Canadian mill owner. And although the lumber industry of Ontario would benefit by having free access with their product to the American market, they are not prepared to accept of any compromise. No matter how trifling a duty might be suggested, it would not be acceptable as we would very much prefer bearing the burden of \$2.00 per thousand on all that we export to the United States for a term, than be under contract by treaty that would be permanent under any circumstances for a specific number of years. We are not prepared to consent that the Ontario Government shall recede from the position they have taken, or that one single log shall go to the United States free unless the whole line of products produced from the log, as far as the planing mill can go, shall be admitted free."

This proposition is strictly in accordance with the resolution passed at the recent meeting of the Lumbermen's Association of Ontario. At this meeting there were present, at least, two prominent holders of Ontario timber licenses, who are residents of Michigan, and several Canadian exporters of saw logs, all of whom, after an exhaustive discussion, joined in the unanimous conclusions contained in the resolutions.

Did our forests contain timber of an age and quality which, to prevent waste, could be cut in quantities exceeding the capacity of Canadian mills to take out and manufacture, having reasonable regard to the law of supply and demand, or were our forests susceptible of that rapid reproduction characteristic of the ordinary products of the soil, the Association would, no doubt, have come to a different conclusion.

Canadian lumbermen have already largely removed the merchantable timber from the districts within convenient distances. What remains at all accessible to the mills of Michigan, their home preserves of Pine being exhausted, would be stripped of timber more rapidly than ever, were the present embargo against the exportation of logs, etc., removed.



Canada does not to-day possess a stick of growing timber in excess of what her manufacturers and those willing to erect mills and factories within our borders can manufacture as rapidly as the trees reach the age, size and quality to warrant cutting, that is, with due regard to those principles of forestry which pertain to climate, fertility of soil, water power, navigation, and the industrial development of our own people.

I submit, therefore, that the only prudent and safe plan is to continue to withhold the exportation of our unmanufactured logs and timber until we know positively what timber, if any, we have to spare. Whatever the other provinces may do it appears to me the duty of Ontario, the province threatened by the needs of East Michigan, to stand strong by the creditable position recently taken.

The Pine of Michigan is practically exhausted, that of Wisconsin, even at the normal rate of cutting in that state, will last but five years, while Minnesota can but very little longer maintain its output. Notwithstanding the fact that other kinds of timber are now, and will continue to be, substituted for White Pine, there will be enough of it required to ensure remunerative prices, together with all the benefits attending its manufacture within our own borders, and particularly so with the supply of both White Pine and Spruce, which are yearly becoming more restricted to Canada.

I quite appreciate the many serious difficulties which meet the members of the conference in their efforts to arrive at a satisfactory settlement of this question. I take the liberty of offering the foregoing statement for your consideration, with the earnest hope that it may be of assistance in aiding to arrive at a solution which may be both beneficial and honorable to the Dominion which you represent in these important negotiations.

Respectfully yours,

E. W. RATHBUN.

In  
as poss  
briefly  
labor t  
for all  
auxilia  
materi  
increas  
fostere  
the log  
will at  
their  
derive  
But,  
regula  
class  
ingma  
politi  
in der  
spoke  
absen  
teste  
work  
regar

T  
in co  
whic  
cond  
Lum  
prin  
that  
not  
Stat  
but  
mill  
mai  
tain  
pos  
On  
wis

## SUPPLEMENTARY.

OCTOBER, 1896.

In the discussion of this question some considerations have been advanced as possible reasons for permitting the export of logs which it may be well briefly to touch upon. It may be objected that the prohibition entails a loss of labor to Canadian workmen. Under present conditions there is ample demand for all available labor of the class which seeks employment in lumbering and its auxiliary industries, and just in proportion as we insist upon retaining our raw material in our own hands will the market for labor and the scale of wages be increased. As has been already shown the manufacture of lumber in Canada fosters numerous other dependent and allied industries. If even one-third of the logs, which would, but for the embargo, be exported, is sawn in Ontario, it will afford more profitable employment than would be given to Canadians in their own country by the policy of free exportation besides the benefits derived by our railways, vessels and barges from handling the product. But, perhaps, the most convincing evidence that maintenance of the regulation is not opposed to the interests of labor, is the fact that the working class themselves have made no complaint to that effect. The Canadian workman is very keenly alive to his own welfare, and keeps a close watch on all political movements that may affect his position. He is by no means backward in demanding redress of legislative grievances, and finds plenty of willing spokesmen on the platform and in the press to voice his opinions. The entire absence of any demand for the removal of the prohibition during a hotly contested political campaign is surely a sufficiently clear proof that the intelligent working class, whose votes, at that time, were so eagerly sought after, do not regard it as affecting their interests adversely.

The likelihood of the Washington Government enacting hostile legislation in consequence of Mr. Hardy's Act has been surmised, but that is a contingency which appears exceedingly improbable to anyone conversant with legislative conditions and influences across the border. The retaliatory provision of the Lumber Schedule in the Dingley Bill is, in fact, in direct violation of the principles of protection, and, for the following reasons, it is morally impossible that it will be carried into effect. Against any such proposal would be ranged not merely the consuming classes of New York and the New England States, whose obvious interests are against any increase in the duty on lumber, but the entire American lumbering interests with the exception of Michigan millowners who have been importing logs from Canada. While the lumber manufacturers as a body may have a common interest in imposing or maintaining a duty on lumber, the case is widely altered when an increase is proposed as a purely retaliatory measure for the express purpose of coercing Ontario to supply one comparatively small class of American manufacturers with the raw material which will enable them to undersell their competitors.



If retaliation is seriously proposed, its strongest opponents will be the lumbermen of other states than Michigan who cannot import Ontario sawlogs to advantage. Just as soon as the American people at large understand the true character and effect of the retaliatory clause of the Dingley Bill and apprehend the reasonableness of Mr. Harley's new departure in forest preservation and the development of Canadian industrial interests, they will realize the justice of our position and sympathize with the policy, which will ultimately be to their benefit as large consumers of lumber who must soon look to Ontario as their main source of supply, while they will remember at the same time that the climate of their own country must in large measure be dependent on the effects produced in Canada by the proper application of correct principles of scientific forestry.

The question has been asked, Where a market can be found for the product of the manufacture of Canadian logs now sawn in Michigan, supposing that industry transferred to Ontario? The increasing requirements of New York and the New England States must be met from some quarter and the withholding of our logs from the saw-mills of Michigan means an annual shortage of probably 500,000,000 feet of lumber, shingles, lath, etc. The consumers of the East must either obtain this in Wisconsin and Minnesota at a greatly increased freight mileage or they must buy in Canada. The cost for additional mileage practically offsets a considerable portion of the \$2.00 per thousand American duty—which portion the American consumer will clearly have to pay on all the lumber he buys in the Canadian market. As the demand increases and the home supply of logs diminishes, the proportion of the duty which the Canadian exporter can force his American customer to assume, will grow steadily larger, until in 1903 or thereabouts, when, according to Mr. Arthur Hill the last American White Pine tree will have disappeared, he will be paying the whole. It is not a long time to wait, but if we permit the Americans to draw their supplies of raw material from our forests, we shall have to help them pay their duty a little longer, lose the greater part of the trade that would otherwise come our way, and permit an injury to the industrial interests of Ontario which cannot be repaired.

Very respectfully,

E. W. RATHBUN.

