THE LUMBER TRADE OF 1903

Review of Conditions Throughout the Dominion.—Statistics of the Export Trade.—Prices Higher, but Cost of Production Proportionately Greater.—Favorable Outlook for 1904.

THE statistics which we publish in this number confirm the general opinion that the lumber trade has passed through another year of prosperity. The volume of business was of large proportions, and while the exports to European countries fell off slightly, this was probably due to an enlarged home consumption and increased shipments to the United States, of which no complete returns are available. The record of the white pine trade is very gratifying, and as each year goes by the conviction becomes more thoroughly grounded that there is no better asset in Canada than white pine timber.

Of the lumber requirements British Columbia furnished a greater percentage than in any previous year. There was a good local demand, heavy shipments were made into the Canadian Northwest, and exports to foreign countries were on an enlarged scale. In the latter connection the marked expansion of business with South Africa is a reason for congratulation, as showing that Canadians are gaining a foothold in that market.

Spruce lumber has many competitors in foreign markets, and when due consideration is given to this fact, it must be admitted that prices were sustained remarkably well. The falling off in spruce shipments was no more than could have been expected in view of the unsettled condition of the British market.

The year witnessed the erection of a number of new saw mills in various parts of Canada—more perhaps in British Columbia than in the other provinces. In mill improvements substantial progress was made, the installation of numerous double cutting bands being an evidence of the determination of manufacturers to keep up with the march of progress.

The indications are that during the coming season lumber will find a ready sale. There may not be as much snap to the demand as in 1903, for the Presidential election in the United States must be reckoned with; but a steady trade at remunerative prices may reasonably be expected. There will be little lumber forced upon the market, as manufacturers are in a position to hold their stocks through temporary depression.

ONTARIO.

The lumber manufacturers in Ontario have expressed satisfaction with the business of 1903. Although some adverse influences prevailed, conditions in the aggregate were favorable. Dealers were somewhat handicapped by the difficulty of finding suitable stock, as early in the year a large percentage of the lumber production was placed under contract. United States firms were aggressive buyers of pine lumber, their purchases probably exceeding those of 1902, which was considered a banner year for white pine. Last spring log run pine was freely contracted for at an average of from $20 to $22 per thousand feet, but some sales were made considerably above these figures. Those manufacturers who sold on grades realized equally good prices. During the first six months all kinds of pine lumber were very active and strong, but towards the fall there was a slight falling off in the demand for dressing and better, which resulted in a decline in the prices of these grades of from $2 to $4 per thousand. The phenomenal demand for box lumber was easily the feature of the white pine trade. Everything suitable for making boxes was bought up at an advance of about $3 per thousand as compared with the prices obtained for box lumber in 1902. There was also a large consumption of mill culls, which also improved in price. It is fair to assume that the white pine product of Ontario was disposed of at an advance of $2 per thousand over the 1902 prices. The developements of the year demonstrated that white pine lumber is still favored by many consumers.

The history of the hardwood trade records substantial improvement. The consumption by local industries was almost as great as the production, leaving but a small quantity of hardwoods to be exported. The mill man, therefore, gave little concern to the disposal of his lumber, as buyers were numerous and usually eager to contract for stock even at the higher prices. Thoughout the year there was a scarcity of basswood and thick maple, and orders had sometimes to be refused on account of inability to supply the desired stock. The tone of the hardwood market continued good up to the close of the year. Prices appreciated from $2 to $4 per thousand. Mill run soft elm and maple which in 1902 bought $16 per thousand at the mill sold last year at $19. Basswood bought $21 and ash $20, as compared with $17 the previous year. Hardwood timber is becoming scarcer and indications point to a liberal demand and good prices for hardwood lumber during the coming season.

Hemlock lumber was used to a greater extent than ever before. The average price at the mill was about $11, as against $10 the previous year. The comparative cheapness of this class of lumber is likely to result in a still larger consumption during the year 1904.

The shingle market was rather unsteady during the year. Dealers in Ontario found themselves with too heavy stocks of red cedars, and in attempting to unload, prices were weakened. This in turn had its effect on white pine and white cedar shingles, although prices did not break more than fifteen cents per thousand. The close of the year found several manufacturers carrying a considerable supply of white pine shingles, for which they had not found ready sale and which they did not wish to force upon the market lest it should become demoralized. The feeling in the shingle trade is now more hopeful, and, given a good building season, both demand and price should improve.

From the foregoing remarks the conclusion would be natural that lumber manufacturers had made a great deal of money during the year. This, however, was not the case. The increased prices obtained were in large part wiped out by the excessive cost of labor and supplies and the inefficient service rendered by the average lumber employee. Work in the woods was extremely costly; the woodsman did not accomplish within fifty per cent. of as much work as the woodsman of a few years ago. There was also great difficulty experienced in keeping the camps in operation owing to the number of "jumpers." The net profits accruing to lumbermen, therefore, were probably little, if any, greater than in the previous year.

OTTAWA VALLEY LUMBER SHIPMENTS.

Mr. H. M. Sanford, Deputy United States Consul at Ottawa, furnishes the following statement of the quantity of lumber shipped to the United States from the consular district of Ottawa :—

	Feet B.M.
Pine lumber	94,875,941
Ash	419,305
Basswood	1,509,255
Birch	73,436
Elm	22,975
Hemlock	266,399
Maple	18,500
Oak	4,000
Red Pine	1,973,296
Spruce	4,890,774
Total	104,053,941

The production of white pine lumber was about equal to that of 1902. The Georgian Bay district shows an increase of about 10 per cent., while this increase is offset by a smaller output in the Ottawa valley. In the following comparative table of the Georgian Bay production, the figures apply almost exclusively to white pine :

GEORGIAN BAY PRODUCTION.

Place.	1902. Feet B. M.	1903. Feet B. M.
Midland	70,000,000	64,000,000
Parry Sound	60,000,000	57,000,000
Sarnia	50,000,000	36,000,000
Byng Inlet	48,000,000	42,000,000
Little Current	40,000,000	46,000,000
Blind River	38,000,000	51,000,000
Waubaushene	30,000,000	30,000,000
Sandwich	23,000,000	26,000,000
Collingwood	23,000,000	16,000,000
Penetanguishene	23,000,000	40,000,000
Cutler	20,000,000	37,000,000
Gravenhurst	20,000,000	25,000,000
Spragge	20,000,000	27,000,000
Victoria Harbor	42,000,000	50,000,000
French River	18,000,000	16,000,000
John's Island	17,000,000	17,000,000
Spanish River	16,000,000	16,000,000
Bracebridge	14,000,000	14,000,000
Huntsville	15,000,000	15,000,000
Severn	10,000,000	5,000,000
Cache Bay	17,000,000	19,000,000
Callendar	6,000,000	10,000,000
Bobcaygeon	6,000,000	4,000,000
Warren	5,000,000	15,000,000
Powassan	3,000,000	2,000,000
Thessalon	7,000,000	16,000,000
Other Points	20,000,000	25,000,000
Total	661,000,000	721,000,000

The reason for a decline in the Ottawa Valley production is probably found in the great distance of the mills from the source of timber supply. This distance is each year increasing as the timber is cut away, and while for a number of years the Ottawa Valley was the premier white pine district of Canada, this honor is now held by the Georgian Bay district.