

A PLEA FOR RECIPROCITY.

Bearings on the Lumber Interest Effects on Manufacturing—A Budget of Facts and Figures—

Speech by Dr. Spohn, M. P.

FOLLOWING are extracts from a speech delivered by Dr. Spohn, M. P. for East Simcoe, during the recent session of the House of Commons. Dr. Spohn represents a constituency largely interested in lumber and his speech was confined chiefly to the one subject. Whether or not one agrees with the conclusions reached, the speech deserves a careful reading for the information and many important facts that it contains. Dr. Spohn said:—

"Of course the lumber interest has, in the course of the last ten years, greatly increased; as the lumbermen employ better machinery they can consequently turn out more lumber. However, in 1880, according to the trade and navigation returns, the export amounted to \$16,530,000, and in 1890 it amounted to \$26,071,000. Taking that same ratio, we find that the lumber trade in 1891 will put out something like \$50,000,000 worth of lumber, and be worth over \$600,000,000. In 1881 the mills used up, according to the census returns, in raw material, \$21,134,000 worth, and the output was \$39,326,000 worth, and

THEY PAID IN YEARLY WAGES

\$8,347,000, and the total value of the lumber trade was in 1881, \$471,912,000. The lumber interest employs 61 times as many hands as all the sugar refineries, 156 times as many as all the distilleries, 234 times as many as the oil refineries, and the binder twine combine is simply nowhere. There are 150 saw mills in the three ridings of Simcoe. One firm cuts 75,000,000 feet a year, another 18,000,000 feet per year and another 17,000,000 feet per year, and so on. In the town of Midland there is but one saw mill running to-day. All the others are closed. One of these mills which is closed cut last year nearly 18,000,000 feet of lumber and employed, in its different departments, 380 hands. That mill has been shut down, and the logs, which would otherwise have been cut in Midland, are

NOW CUT IN MICHIGAN,

and these 380 hands and their families have been compelled to follow the logs, thus depriving Canada of many good citizens, and the town of Midland is thus becoming depopulated and is losing the advantage it would gain by the expenditure of this large sum of money, were the logs cut there as they should be. But this is not an isolated case. What affects Midland affects all the lumbering towns and cities in Ontario. For instance, the town of Gravenhurst should be the manufacturing centre for the Muskoka Lakes, but this affects that town as it does every other town and city in Canada. I have been speaking of the effect of the McKinley Bill on the lumber trade as it affects us on the Georgian Bay, but now I propose to come nearer home to some of you. Some people think that because the logs cannot be towed from the Ottawa Valley this does not affect the Ottawa Valley, but I will show you that it does affect the lumber trade of the Ottawa Valley as it affects the trade of the Georgian Bay. I am informed that you had a box factory in Ottawa which was run by E. H. Barnes & Co. and employed 150 hands, but, when the United States put a 35 per cent. duty on boxes, that box factory shut down; but that is not the whole history of your box factory, E. H. Barnes & Co. took the machinery out of the Ottawa box factory and carried it to Rouse's Point, on the other side of the line, and they are there now manufacturing boxes for the American market, and the people of Ottawa lost the factory and the 150 hands and their families, and the United States gained. Further, L. B. Eddy had a box factory, but, like E. H. Barnes & Co., it was compelled to shut down. Having given these examples to show the state of things in the east and in the west of the Province, I have no doubt that the same state of things exists more or less over the whole country. Still further, the effects of reciprocity would be more beneficial to the country, because there would be a great variety of wood manufactures started at once. In the west, a planing mill is considered a necessary adjunct to every saw mill. They do not ship their lumber in the rough from the saw mills in Michigan, as we do here, but the lumber is planed and then shipped to all parts of the United States. Our lumber could be planed in the same way and manufactured, and

THIS WOULD GIVE EMPLOYMENT

to a great number of men. We know that it does not pay to ship the lower grades of lumber to the United States, because the duty is the same on all grades. Whether we have lumber worth \$25 a thousand or only worth \$7 a thousand the same duty of \$1 has to be paid, so it hardly pays to ship the lower grades of lumber to the United States. We could manufacture the lower grades of lumber here. Every one who knows anything about the lumber trade is aware that there is an immense market in the eastern States for the Ottawa Valley lumber and a large market in the Western and Central

States for the lumber manufactured on the Georgian Bay.

Lumber is cut 1 inch, 1-16 and 1-32 of an inch in thickness. When green it weighs 4,000 lbs. per 1,000 feet, partly dry from 3,000 to 3,500 lbs., and dry 2,500 lbs. per 1,000 feet. An average carload weighs 20,000 lbs., so that a car can carry 8,000 feet green, 10,000 feet partly dry and 12,000 feet of dry lumber. Lumber is generally shipped partly dry, that is, from two to four months after being cut. The freight varies with the distance and the lumber is graded differently in different localities. For the calculations I am going to make I intend to take the grading on the Georgian Bay, and also the freight from the Georgian Bay to Buffalo. At the present time, rough or unplanned lumber has to pay a duty of \$1 a thousand, planed lumber \$2 a thousand, and planed tongued and grooved \$2.50 a thousand, and lumber manufactured or partly manufactured 35 per cent. Thus the

DUTY ON PLANED AND MANUFACTURED LUMBER

virtually prohibits its exportation. To be properly planed the lumber must be dry, so that a car that carries 10,000 feet partly dry, as it is generally shipped, could carry 15,000 feet dry and planed, because we not only gain by reduced weight but by reduced thickness also. Lumber is planed on both sides to 7/8 of an inch thick for the eastern trade. Lumber in the rough is 35/32 of an inch in thickness, while after being planed it is only 28/32 of an inch, thus losing 1-5 of an inch in thickness, and consequently 1-5 in weight. So you will see that a car that will carry 10,000 feet partly dry will carry 15,000 feet planed and dried. The freight to Buffalo is \$35 a car, so that if we had reciprocity with the United States the lumbermen would save from \$7 to \$8 a car in freight alone, besides the duty of from \$2 to \$2.50 a thousand, which is a saving on the average of at least from \$32 to \$35 on every car we ship over and above the present profit, whatever that may be. Now, you can imagine what this would do for the city of Ottawa. Just fancy the lumbermen being able to save \$32 to \$35 on every car they ship over and above what they save to-day. They could afford to give better wages, to employ more hands. It is not necessary for me to tell you that not only Ottawa, but every town and every place in the Dominion of Canada where lumber is manufactured would flourish. Now, part of the lumber that is shipped from Georgian Bay is shipped to Buffalo and Tonawanda. The latter town has been built up by the lumber trade; in fact Tonawanda has been called the city of planing mills. A large portion of the Georgian Bay lumber is shipped there in the rough, and is planed and reshipped to different parts of the United States. I was in Tonawanda not a great while ago and while there the proprietor of a planing mill told me that he could plane lumber and ship it to Kansas and sell it cheaper than he could sell the same quality of lumber in the rough, simply on account of the extra freight on the rough lumber. In Tonawanda they employ 5,000 hands in planing and handling lumber. Just fancy

THE BOOM THAT WOULD TAKE PLACE

in our Canadian towns if these hands with their families could be distributed among them in working up this lumber. Of course you know Ottawa lumber does not go to Tonawanda, but is shipped in a different direction; but the Georgian Bay lumber goes, a portion of it, to Tonawanda, and if the towns and lumber districts of the west that shipped this lumber to Tonawanda could have the advantage of the residence among them of 5,000 hands with their families you can imagine what prosperity that would bring. There are thousands of dollars paid yearly on Canadian lumber in duty in the town of Tonawanda. It is not necessary for me to discuss the question of who pays the duty on lumber, because we all know that the lumbermen of this country pay the duty on every foot of lumber they send to the United States. Now, in speaking of reciprocity with Canada, this proprietor of a planing mill in Tonawanda told me that if they had reciprocity between Canada and the United States he would be compelled to move his planing mills from Tonawanda to the lumber districts of Canada within two years, because the extra freight on sawdust and shavings would be to him

A LITTLE FORTUNE.

Now, shipping culls, Georgian Bay grade, are worth \$7 per 1,000 at the mill, 1,000 shipping culls cut up and planed would make at least 500 feet of wainscotting. It would make a little more than 500 feet; but I wish to be on the safe side, and I will say 500 feet, although, as a matter of fact, it makes some 600 feet. Wainscotting is worth in Buffalo \$40 a thousand. The labor for making wainscotting costs \$1 a thousand. It takes 24,000 feet of culls to make 12,000 feet of wainscotting, worth at the mill \$168; cost of making, \$12. Now, the freight to Buffalo is \$33, the total amounts to \$213; 12,000 feet of wainscotting at Buffalo, at \$40 a thousand, would be worth \$480, so there would be a return for the shipper over the price of lumber and labor of \$267 a car. Now, then, take the article of doors. The ordinary four-panel stock doors are made out of what we call cut-ups and better, worth at the mill \$22. These doors are worth here \$1.50 wholesale, they are worth in Buffalo \$2.20 each; 1,000 feet of cut-ups and better will make

36 four-panel stock doors; 12,000 ft. will make 432 doors, or a car load of 432 doors in Canada at \$1.50 each would be worth \$648; 432 doors in Buffalo at \$2.20 each would be worth \$950. Now, if we want to ship a carload of doors to Buffalo, we pay freight \$44 a car. I have in my calculation quoted freight at \$33 a car, in shipping doors and manufactured lumber the freight is \$44 a car. Now, the duty on \$950 at 35 per cent would be \$332.50, clearance paper \$3, total expenditure of shipment \$379.64. This, added to the \$648, the cost of the doors in Canada, makes \$1,027.24 as the total cost of delivering doors in Buffalo. But the doors in Buffalo are only worth \$950, so that the shipper actually loses \$77.24 on every carload of doors shipped to Buffalo. If we had reciprocity with the United States the shipper would have a return of \$273 on every carload over the cost of lumber and freight.

QUITE ANOTHER THING.

THE owner of a woodworking plant in these days finds himself compelled to pay far more attention to the administration of his business than was necessary a few years ago. When the woodworking machines were fewer in number and less efficient in work, the demand for wooden articles in every line outran the supply, making prices good and business generally remunerative. It used to be said that a man who failed in every other line could get rich in running a saw, shingle or planing mill. Those good old days have gone, and to-day, with the market crowded with countless high grade and efficient machines turning out a supply greater than the demand, running a saw, shingle or planing mill, or a chair, coffin, waggon, excelsior, veneer, sash, heading, finish, frame, molding, crate, basket, bucket, tub, barrel or furniture factory is quite another thing. Twenty or thirty years ago the consumer pressed manufacturer. To-day the manufacturer is thrusting himself upon the consumer. The owner of a plant must make his wares, and then he must "hustle" for a market. This is the reason why the manufacturer of to-day spends more time in his office, over his books, than in his shop, over his machines. The machinery makers have wrought the great change visible in this line. The modern machines work so well and produce so much that supply has overtaken demand. The owner is succeeded in the shop by the foreman. The owner has become a mere administrator.

COST OF AN ACCIDENT.

A LUMBER case that created some general interest in the assize court, this city a week ago, was that of Martha Tobin, of Bracebridge against the Shannon Shingle Manufacturing Company, of Parkdale. William Tobin, husband of the plaintiff, was a joiner at the shingle factory and was killed there on November 1st 1890. The widow is left with five little children, the eldest only nine, and now sues to recover \$3,000 damage for the death of her husband on her own and their account. Tobin was getting \$1.75 a day as joiner, 25 cents a week being retained by the company as an insurance against accident. The claim alleges that the saw where Tobin was working was not guarded; while revolving at the rate of 1,350 revolutions a minute a block was drawn into it catching between the saw and adjacent machinery breaking a huge piece from the saw which flew at Tobin and cut through his body like a knife. He died about an hour after the accident. The defence is a denial of negligence on the part of the company, and denial of any defect in the machinery and an assertion that Tobin placed himself in the position occupied by him when he was hurt. Diagrams of the machinery used in a shingle mill were shown the jury, while Mr. Meredith, who is counsel for the defendants, had in court a pretty little model, said to be a fac-simile of the saw used by Tobin, all of which were used as matters of evidence. The verdict was rendered in favor of the plaintiff, the judge reserving his decision as to the exact amount of the award.

Have you a copy of the "Lumberman's Inspection Book"? It contains rules and regulations for the inspection of pine and hardwood lumber adopted by the lumber section and sanctioned by the council of the Board of Trade of Toronto, June 1890. Send a three cent stamp to the office of the CANADA LUMBERMAN and a copy will be sent you.