

## HOME AND FOREIGN TRADE REVIEW.

Office of CANADA LUMBERMAN,  
FEB. 28th, 1891.

**L**OCALLY, the lumber trade has been quiet, as it usually has been during the month of February in past years. Dealers' reports show that as many feet have changed hands as in the corresponding month last year. The bulk of consumers are buying for inside finishing, a great deal of which is for delayed contracts, so that with little outside building it is not to be wondered at that sales are termed quiet.

Permits have been granted for the erection of a few good sized buildings for the coming season, but the activity that prevailed in architects' offices in the February months of 1888 and 1889 is not so apparent. Unless rentals improve there will not be the same run on dwelling house erection that caused the demand for certain classes of sawn timber during the past six years, but it is expected that alterations, modernizing of centrally situated buildings, and new structures will even up matters.

Future contracts have been placed for quantities with some dealers, but in general speculators, contractors and builders are waiting to see how the early season opens.

Enquiries from our markets in the United States are numerous, particularly for hardwoods, but shipments are almost *nil*. Dry stocks are not procurable, and as the orders booked are for seasoned lumber, some time must elapse before shipments can be made. Selected stock is asked for by United States jobbers in New York state, and many ledgers show contra purchases for yard orders as a make shift until the cold season is over. Canadian sellers could dispose of an unlimited quantity of choice or best grade of all sizes at present. It cannot be obtained on a days notice, and as in many instances the opportunity is a catch sale, little, if any, number one stock will change ownership.

A few car lots of culls and special sizes have gone south and south-east into New York state, but the movements have been slow. Wholesale and retail prices are unaltered. Canadian exports in sawn lumber to the United States for January, 1891, exceeded that of January, 1890, by \$53,000. Up to the 15th of last month the quantity shipped was slightly in excess of the corresponding period of last year. Could we turn prophetic and proclaim increased exports for the next ten months, the drain upon the unmanufactured cut of Canadian timber would cause a boom in the winter season of 1891 and 1892. When the negotiations were pending, which resulted in the repeal of the Canadian export duty on logs, and the partial repeal of the import duty levied by the United States on lumber, it was urged that Canada had got the better terms. It was claimed by those largely interested in the trade, but not affected by the tariff laws, that the removal of the export duty benefitted only a few Michigan and Canadian limit owners who were the prime movers and lobbyists in the Washington Capitol and in Ottawa. United States dealers and papers published voicing their beliefs, positively aver that the reduction of the import duty did not lessen the cost to consumers in the United States one cent. Further on a meagre epitome of the logging in Canada this season will give a fair estimate of the opinions held by the bulk of Canadian limit holders, touching the supposed benefits from the reduction for '91, not in words but in deeds. Speaking on the subject of reciprocity as existing, and as proposed by the Dominion Government, J. R. Booth, of Ottawa, says: "No doubt reciprocity would do the lumber trade good, but you know the trouble with us just now is not what we can sell lumber for, but what others can sell it for. If United States lumbermen can sell at a certain price below our own, we must come to that price or do no business. It has got to be so now that we cannot compete with southern pine, which is placed in all the northern and eastern markets at from \$2 to \$5 less than we can do it, but of course the \$1 of duty off will help us some. With the duty off the Chaudiere lumbermen would not fear competition with the Michigan lumbermen, but they would still find Southern pine and negro labor a hard nut to crack. It is only about five years since the Southern pine was introduced into the north and east, and now it is being used more and more every year. Before the Michigan and Wisconsin lumbermen took up the manufacture of it trade in it did not amount to anything, but as soon as they went into this trade, with their experience and business push, the business began to flourish, and now has every prospect of continuing to do so. They buy the land at \$1 an acre, and as the timber is abundant and within easy reach, they can sell at a very low figure and yet make money. They cut down the trees, dry the timber, plane it, and send it north and east ready for building, at prices which Canadians could not touch. At present things look blue for the Canadian lumbermen. What would be the result of the Southern pine competition he was not prepared at present to say."

Speaking on the same question, ex-alderman L. Crannell, of the Bronson & Weston Co., of the same city, says: "I believe reciprocity would benefit the lumber trade, and I will explain to you in a few words

how it would do so. At present pine lumber going into the States from Canada pays a U. S. import duty of \$1 per thousand feet, and as a result U. S. lumbermen buying in Canada have to pay a dollar more laid down in the States than they would if purchased from the Michigan or other manufacturers. As the Michigan men by reason of their larger output control the New York and other eastern markets and fix the price, we have to reduce the price of our lumber so as to be able to compete with them. For instance, if the price for the commoner grade, which is that shipped almost entirely to the U. S. market, is quoted by the western men at say \$10, we have to sell at \$9 here so as to be able to compete with them, or the middleman has to lessen the margin of his profit. If the \$1 of duty per thousand feet was off, we would be able to do business on equal terms with the Michigan men, as we are so geographically situated that we can supply the eastern states better than the western men can do. That there would be an increase in the sale of Canadian lumber I am sure, but I am not prepared to offer the slightest estimate of what the money value of that increase would be. Of course there is no such thing as reciprocity in lumber, as we are sellers, but do not buy. Canada does not get a stick of manufactured lumber from the States." Mr. Crannell added that of the total of 700,000,000 feet of all kinds of lumber manufactured in Ottawa last year, about one-third went to the States, a third to the old country and the other third to South America. In 1889 when trade was a fair average the lumber shipped to the States from Ottawa netted about three and a half million dollars.

The rates offered by the Canada Atlantic railroad are to hand. The circular reads as follows:

Arrangements have been made whereby we will re-open our lumber line to New York, via Albany, with the opening of navigation on the Hudson, which took place last year about March 10. We will be unable to send you a copy of our tariff with the exact date to take effect until the opening of navigation, has determined itself, but the following are the rates at which we will open the line, namely: Seasoned pine lumber, \$3 per thousand feet; seasoned shorts, \$3.25 per thousand feet; lath, 65 cents per thousand pieces; seasoned hardwood lumber, \$4 per thousand feet.

These rates will apply on lots of five cars and over, and will include lighterage within the regular lighterage limits of New York harbor. Lots under five cars will be accepted subject to extra tonnage.

Capt. Williams, of Albany, who handled the lumber from Albany down last year, will also be in charge this coming season.

Reports received from the logging camps in the Ottawa Valley and the Georgian Bay districts state that operations have ceased in many localities. At some points the snow has been so deep that the cutting of logs had to be discontinued. In others the desired quantities have been cut and banked, and the teams have either returned or are on their way southward. Eddy & Co., Pierce & Co., and McClyment & Co., have lumbered this season. Their mills will be practically idle next summer, along with the burnt McLaren & Co.'s mill. Other mills, to a certain extent, will have to supply their usual cut, and if the demand for white pine is unusually brisk, it means day and night shifts until the mills close in the fall. If the intended contracts on the north shore of Georgian Bay and Lake Huron are filled before the end of the month, 200,000,000 feet will be piled up waiting for open water and purchasers. Of this, fully 75,000,000 feet will be rafted to its owners at Tawas and Saginaw, and to buyers of Canadian logs in Alpena and Cheboygan. In addition to saw logs immense quantities of birch, cherry, basswood and pulp wood have been cut, some on contract and some on speculation.

In New Brunswick, on the St. John river and tributary streams, the supply will fall short of 1890. Last year the Fredericton boom held 135,000,000 feet of logs, while on the river and branches, fully 50,000,000 feet was left. This year the estimated quantity to drive will not exceed 95,000,000 feet. In Nova Scotia, at Herbert river and Newville, a greater cut has been banked, but on several streams operations have been curtailed.

## UNITED STATES.

In looking over the reports upon the conditions of the trade amongst our United States brethren, at least that part of them who purchase from Canada, monotony is the striking feature. Sales are not being made to dealers who flirt with future prices, uncertain weather has checked building to a great extent, and no lumber centre has to hustle to keep up with booked orders. The actual daily requirements keep a steady, though quiet tone in all the markets, and except when specials unexpectedly are asked for, no activity can be noticed. Hesitation, with expectancy of a good spring trade describes the situation. As to the future of values, two leading opinions are current: The first, that the effort put forth in the west—for better prices—will be met and nicely balanced by the influences of recent Canadian legislation on the lumber question. The prevailing feeling, however, is that really choice stock is destined to show a stiffening in price. Ex-

porters feel decidedly well over the Brazilian reciprocity scheme, and believe that its influence will be to speedily increase the already good Brazilian demand.

We notice amongst the failures that the wholesale lumber firm of L. Thomson & Co., Albany, N.Y., have made a general assignment to their bookkeeper, Richard T. Lockley. Mr. Thomson was at one time a member of an Ottawa lumber firm and always looked upon as wealthy. Assets and liabilities unknown. Statement of debtors and creditors not yet published.

The Buffalo Lumber Exchange, at its meeting on the 14th, discussed and strongly condemned the late resolution passed by Saginaw vessel owners who have agreed during the incoming season not to load or deliver any cargoes except from or on rail. Deliveries on railroad docks alone in Buffalo means extra men, extra handling means increase in the cost and probably loss in the selling. A determined resistance was the voice of the meeting. At the same time, the friction that existed between planing mills and the wholesaler was eased by the latter accepting the terms and propositions of the former. For some time back there have been mutterings of discontent about the practice of the jobber selling contractors, builders and other retail consumers at wholesale figures. The planing mill men insisted that the practice be stopped, particularly in the case where the jobber has a mill and a yard. In future, retailers buying from wholesalers, whether planing mill men or yard men, will have to pay retail prices. In case of non-compliance by a jobber he will be boycotted.

All the best grades of lumber are scarce and held firm. Long bill stuff, posts, piles and square timber are asked for. Prices are adhered to, the existing conditions of trade indicating that present stocks will be satisfactorily disposed of before new lumber can be marketed fit for use. Buffalo and Tonawanda markets are *one*. The wholesale price list of both places is a joint one, the rates of freight by rail, by canal and water are the same, and they purchase and sell in the same markets. Sales for February exceeded January, particularly in hardwoods. Like Buffalo, the outlook for vessel charters is not encouraging. Assortments of pine lumber are badly broken into, cutting up and better are depleted, and they are likely to remain so until the opening of navigation.

It is expected that the spring of the year will live trade in the New York yards by the demands for projected buildings in the upper part of the city, Brooklyn, Jersey City and Long Island suburbs. At present, things are dull. Dealers are fairly well stocked, and as little desire exists to increase the quantities now on hand, large importations are not demanded, and agents are having a quiet time. White pine is steady, the prices unchanged, and the holdings with new arrivals, just sufficient to even supply and demand. The future of the season is yet obscure, but nothing is left undone in eliciting information about where purchases can be made, and what the freight rates will be for the current year by rail and water, both premonitions of an expected good season's trade.

William Westby, Portland, Me., correspondent of the *Sherbrooke Examiner* says: Another very quiet week has been experienced in the lumber trade, and the market is no better than has been previously reported. Spruce lumber is not wanted, as this stormy weather checks all work and prices are low and easy. Random cargoes are received now and then and they bring prices quoted a shade lower than are asked for carload lots. Hemlock boards are also dull as well as everything else in the line of boards and long lumber.

The yards are well stocked and concessions are made to effect sales. Clapboards look a trifle better but the improvement is not sufficient to stiffen prices materially.

Shingles are dull and prices easy and the demand slow. Most of our salesmen report this month so far that orders are scarce and hard to obtain.

The mills are getting in a fair supply of logs and the prospect is that the usual quantity of logs will be got out.

South American lumber is still dull and no prospect of any movement in it. Many vessels are lying here awaiting freight.

## FOREIGN.

We have commented elsewhere on the state of the United Kingdom markets. Since setting up the excerpts from Gray & Sons annual timber circular, other well known firms have corroborated the warnings by the *Timber Trades Journal*.

Business during the past year, say Farnworth & Jardine, has been unsatisfactory in most branches of the wood trade. The aggregate import, although showing a reduction of 17½ per cent. from the excessive one of last season, has still been in excess of the five previous years, and more than ample for the demand. The deliveries of most articles have been disappointing, the total consumption being 7 per cent. less than last year. The stocks now remaining over are much too heavy. The outlook is not encouraging, and, with the large stocks held over, shippers must see it is most important that supplies be kept on a moderate scale.