

**THE LUMBER MANUFACTURERS' CONVENTION.**

The sixth convention and annual session of the Lumber Manufacturers' Association of the Northwest was held at the Grand Pacific hotel, Chicago, on Sept. 22. About 50 members were present, representing the great lumber interests of the great northwest. The convention was called to order by the president, A. G. Van Schaick. Among those present were A. A. Carpenter, Uri Balcom, George H. Holt, J. H. Swan, William O. Goodman, W. O. Culverston, and J. A. Culberston, of Chicago; W. Pettibone, Hannibal; Charles W. Behrens and William Hayes, Winona, Minn.; D. M. Dulaney and G. W. Dulancy, Hannibal; Charles Horton, Winona; G. W. Cable, Davenport, Iowa; J. W. Wells, Menominee; H. M. Glenn, E. W. Durant, jr., of Stillwater; D. Joyce, Lyons, Iowa; C. Lamb, Clinton, Iowa; George W. Roby, Ludington, Mich.; E. Austin, C. L. Coleman, John Parey, W. E. Sawyer, and W. W. Crosby, La Crosse; F. McDonough, O. H. Ingram, and William P. Tearn, Eau Claire; S. W. Farnham and C. M. Maxy, Minneapolis; G. W. Backus, Saginaw; J. M. Bassott, Minneapolis; C. Rudduck, Muskegon; C. N. Nelson, Minneapolis; L. B. Wadleigh, Clinton, Iowa, and J. H. Knight, of Ashland.

President Van Schaick opened the proceedings by reading his annual address. He said:

"A review of the lumber trade of the northwest for 1885 to this time will show a decline in values of fully 15 per cent. below the prices of 1883, and a reduction in the amount sold of 10 per cent. compared with 1884. With no idle saw mills, unless closed recently, and but a moderate amount of night-sawing; with a demand for lumber at wholesale unsatisfactory to manufacturers, which even low prices do not increase, candid men do not deny that the supply has been fully 25 per cent. too great for to allow a price to prevail that would pay 6 per cent. upon capital employed and provide for the ordinary wear of machinery and a reasonable profit for the risks incidental to business. If this is the true condition of the lumber trade a further reduction must be made in the annual supply before the business will afford a reasonable profit, unless the demand for lumber increases greatly during 1886, or the cost of production is reduced, or both. Three methods suggest themselves, however, by which good results may be secured:

1. Reduce the cost of manufacturing lumber, which will naturally follow a large reduction in the annual supply.
2. Increase consumption by enlarging the territory supplied.
3. Reduce production twenty per cent compared with 1885, and pile and carry at the saw mills any surplus above the legitimate demands of business.

Of the three methods the last can be made successful, being absolutely under the control of the manufacturers; and while the others are correct in theory, they are not likely to succeed, as labor will naturally advance rather than decline now that other branches of western industry are recovering from the depression of the past, and the number of immigrants abroad has been greatly reduced.

The stringency of 1873 affected the value of lumber unfavorably until 1878, when the rapid increase in the wealth and population of the west, the extension of railroads, the increased production of silver, and satisfactory prices for grain increased the demand for lumber and advanced its value. With these precedents, and the fact that no branch of western industry has wholly recovered from the effects of the recent stagnation and financial stringency, how can we hope to find buyers for more than 5,000,000 feet of lumber in the west in 1886? The markets of the western states absorbed so large an amount of lumber in 1882 and 1883 that manufacturers continue to base the supply on the sales of those years, and now when dealers in the distributing markets fail to advance prices from the present low standard they cannot be censured by manufacturers, who alone are responsible for the overstock, and who at this season of the year fully half the visible supply of lumber is usually owned by yard-dealers, they are wholly at the mercy of the owners of logs and lumber, for while the yard dealers

must await the slow routine of consumption to dispose of his stock the manufacturer consigns a steady volume of lumber to the wholesale markets and disposes of it at the current market price, and often at forced sale, and by this means becomes responsible for continued low prices.

I consider the foregoing as an additional reason why the manufacturers should carefully adjust the future supply to meet the estimated demand, and congratulate each other that the abundance of money and the moderate rate of interest, together with the profits of recent years, have enabled them to bridge over the past.

A reduction in the hours of labor in saw-mills has been proposed by manufacturers of experience as a remedy for over-production, and they estimate that a change to a 10-hour system would reduce the production of lumber nine per cent.

If adopting the 10-hour system would result in a reduction of but five per cent. in the quantity of lumber manufactured I would regard the change beneficial, for it is the last five per cent. of lumber produced that overstocks the market usually and the dread of its coming that causes weak and declining markets. I fear, however, that mill-owners would resort to night sawing to keep their present annual production good, and thereby increase the demand for men and possibly add nine per cent. to the cost of sawing the entire production."

A. A. Bigelow, the treasurer presented his report.

The report of the secretary, E. S. Hotchkis, was read and accepted by the convention.

A committee on business was then appointed and the convention took a recess until 2 o'clock. On re-assembling the following officers of the association were elected for the ensuing year: President, A. G. Van Schaick; Vice-President, G. C. Merriman; Treasurer, A. A. Bigelow. Directors, E. E. Creepin, White Lake, Mich.; A. T. Lay, Traverse City, Mich.; E. W. Durant, Stillwater, Minn.; O. H. Ingram, Eau Claire, Wis.; R. G. Peters, Manistee, Mich.; W. O. Goodman, Menominee, Mich.; J. H. Swan, Muskegon, Mich.; P. M. Musser, Muscatine, Iowa; George W. Cable, Davenport, Iowa; C. L. Coleman, La Crosse, Wis.; J. M. Gould, Mt. Pleasant, Ill.; G. W. Roby, Ludington, Mich.; S. W. Farnham, Minneapolis; W. H. Laird, Win. r. Minn.

The committee on business then presented its report, and suggested the following topics for the discussion of the convention:

1. Has the demand for and the consumption of lumber in 1885 been equal to the supply?
2. Do the present and prospective prices of other commodities warrant hope of a material advance in the price of lumber?
3. Considering the existing demand for lumber, and the supply of logs and lumber in sight, what will be a reasonable log supply for 1886?
4. If the current price of lumber in the distributing market is too low, is it the manufacturer or yard dealer who is responsible for low prices?
5. Can a system of fire insurance on lumber at the saw mills be adapted whereby the present premium can be reduced?

The major portion of the afternoon was occupied by the members in giving expression to their views upon these questions and in receiving reports from numerous boom companies not represented in the convention. The general tenor of the discussion was that the supply for 1885 was greatly in excess of the demand, and that some specific measures should be taken in order to remedy the evil of over-production. Many contended that the fault of over-production lay with the manufacturers. It was stated that the low price of lumber had greatly stimulated building but that business had been done without a fair profit to the manufacturer. An effort was made to commit the association to an advance in prices of 15 per cent, but this was voted down. It was unanimous opinion of the convention that the supply should be reduced, and on motion of A. A. Carpenter it was resolved that if the stock of 1886 was as large as that of 1885, with the present stock left over, there was no hope of an improved condition of prices, and recommending that

for the next season there be a curtailment in total production and old stock of at least 20 per cent.

After a lengthy discussion of the question of fire insurance the matter was referred to a committee, to be hereafter appointed by the chair, to report at the next convention.

A resolution was unanimously adopted declaring that the constantly-fluctuating railroad tariffs effected a serious demoralization in the lumber trade, creating uncertainties among dealers and undue and disastrous competitions, practically placing at short intervals what operates as an embargo on business, and recommending the formulating of a memorial to the managers of the railroads of the northwest asking that changes in railroads tariffs be not made oftener than at intervals of three months, believing that the interests of the railroad companies in this matter were coincident with those of the manufacturers, dealers, and consumers of lumber.

An attempt was made to commit the association to a general law in favor of ten hours as a legal day's work for laborers employed by the manufacturers, but the matter was finally laid over until the next convention.

The convention then adjourned to meet in Chicago on the third Wednesday in April, 1886.—*Lumberman's Gazette.*

**CO-OPERATION.**

The *Timber Trades Journal* says:—There was a very good article in one of our American contemporaries about the inclination in the present day to dispense with the middleman, i. e., to bring the consumer and producer face to face without the assistance of any third party. The co-operative stores which took fast hold here, and have now become one of our recognised institutions, were undoubtedly the thin end of the wedge as far as the wholesale trade was concerned. In America they do not encourage co-operation, though abroad there is now a growing tendency to trade on the mutual system.

Here the competition is so keen that every effort is made to reduce the cost of the article produced, and as this has apparently reached its minimum in actual production, the only thing left to combat is the charges on it after it leaves the manufacturers' hands.

We do not believe, however, that in Great Britain, in spite of the success the co-operative stores have met with, that the services of an intermediate agent will ever be done away with in London, and in the timber trade especially, the advantages of a broker or go-between are so obvious that buyers and sellers will always be ready to support them.

As a matter of fact merchants generally have been able to hold their own against co-operation and the leading houses keep their connection together in spite of the scores and cost prices. There can be no doubt that the percentage of profit has been greatly reduced in consequence of the co-operative competition, and a large turnover at a reduced rate is now the mode of doing business.

The municipal authorities of Madras have extended the right of suffrage to women.

**THE TIMBER SUPPLY.**

Mr. Best, of the forestry division of the agricultural department, supplies the following figures to correct an erroneous statement regarding the are of improved and unimproved lands in the United States recently telegraphed from Michigan: The superficial area of the United States is, outside of the District of Columbia and the Indian territory, 1,850,000,000 acres. There are 44,555,000 acres in forest, 285,000,000 acres of improved and 1,126,000,000 of unimproved and waste land. At the present rate in which the forest is disappearing, the timber cannot be expected to last longer than 20 or 25 years.

In Michigan, the greatest lumber producing state in the Union, the first saw mill was planted about 50 years ago. At that time it was estimated that there were 150,000,000 feet of white pine standing in the forests of the state. The estimate for 1885 is 32,000,000,000 feet which shows it has disappeared at the rate of 2,300,000,000 feet annually for 50 years. The estimated amount cut into lumber in Michigan in 1881 was 5,100,000,000 feet, board measure, which is about one-sixth of the whole amount cut in the United States for that year.

**BOARD OF TRADE RETURNS.**

The following are the returns issued by the Board of Trade, for the month of Aug. 1885, and also for the 7 months ending Aug. 1885:

MONTH ENDED 31st AUG. 1885.		
	Quantity Loads.	Value £.
<i>Timber (Heaven).</i>		
Russia .....	62,836	20,901
Sweden and Norway .....	63,598	89,973
Germany .....	37,051	70,388
United States .....	10,812	37.70
British India .....	2,324	31,014
British North America .....	75,768	335,768
Other Countries .....	37,670	57,877
Total .....	270,997	719,431
<i>Timber (Sawn or Split, Planed or Dressed).</i>		
Russia .....	204,775	448,233
Sweden and Norway .....	227,292	484,056
British North America .....	107,019	504,716
Other Countries .....	30,902	90,371
Total .....	660,018	1,633,381
Staves, (all sizes) .....	14,121	50,271
Mahogany (tons) .....	3,414	27,793
Total of Heven and Sawn .....	940,015	2,252,512
EIGHT MONTHS ENDED JULY 31st 1885.		
<i>Timber (Heaven).</i>		
Russia .....	168,232	390,551
Sweden and Norway .....	375,313	623,106
Germany .....	223,718	611,524
United States .....	113,917	371,203
British India .....	25,406	344,086
British North America .....	127,160	557,637
Other Countries .....	276,998	350,012
Total .....	1,308,844	3,007,191
<i>Timber (Sawn or Split, Planed or Dressed).</i>		
Russia .....	647,989	1,360,475
Sweden and Norway .....	1,126,582	2,371,914
British North America .....	452,863	1,128,952
Other Countries .....	245,135	731,942
Total .....	2,472,229	5,699,313
Staves (all sizes) .....	76,013	322,585
Mahogany (tons) .....	38,552	339,764
Total of Heven and Sawn .....	3,781,073	9,606,504

**LIVERPOOL STOCKS.**

We take from the *Timber Trades Journal* the following Comparative Table showing Stock of Timber and Deals in Liverpool on Sept. 1st 1884 and 1885, and also the Consumption for the month of Aug. 1884 and 1885:—

	Stock, Sept. 1st 1884.	Stock, Sept. 1st 1885.	Consumption for the month of Aug. 1884.	Consumption for the month of Aug. 1885.
Quebec Square Pine .....	424,000 ft.	320,000 ft.	309,000 ft.	264,000 ft.
Wancy Board .....	510,000 "	863,000 "		
St. John Pine .....	19,000 "	33,000 "	3,000 "	1,000 "
Other Ports Pine .....	60,000 "	44,000 "	12,000 "	1,000 "
Red Pine .....	66,000 "	30,000 "	4,000 "	1,000 "
Pitch Pine, heven .....	646,000 "	616,000 "	105,000 "	159,000 "
" Sawn .....	477,000 "	734,000 "	129,000 "	303,000 "
Planks .....	85,000 "	58,000 "	12,000 "	14,000 "
Dantle, &c., Fir .....	80,000 "	63,000 "	12,000 "	3,000 "
Sweden and Norway Fir .....	67,000 "	68,000 "	00,000 "	3,000 "
Oak, Canadian and American .....	357,000 "	21,000 "	108,000 "	87,000 "
" Planks .....	211,000 "	200,000 "	119,000 "	31,000 "
" Baltic .....	9,000 "	5,000 "	3,000 "	1,000 "
Elm .....	44,000 "	53,000 "	21,000 "	24,000 "
Ash .....	43,000 "	32,000 "	7,000 "	1,000 "
Birch .....	60,000 "	110,000 "	51,000 "	28,000 "
East India Teak .....	23,000 "	92,000 "	1,000 "	2,000 "
Greenheart .....	54,000 "	93,000 "	15,000 "	7,000 "
N. B. & N. S. Spruce Deals .....	23,494 stds.	10,824 stds.	9,365 stds.	7,678 stds.
" Pine .....	1,100 "	105 "		
Quebec Pine & Spruce Deals .....	6,822 "	4,511 "	2,500 "	3,057 "
Baltic Red Deals, &c. .....	3,507 "	2,932 "	704 "	1,658 "
" Boards .....	50 "	111 "	20 "	28 "
" prepared Flooring .....	8,312 "	2,429 "	714 "	1,434 "