

HOME AND FOREIGN TRADE REVIEW.

Office of CANADA LUMBERMAN,
Jan. 1st, 1891.

The holiday season has come and gone since the last issue of THE LUMBERMAN, and, as is usual at that period of the year, trade in lumber, as in everything else, becomes practically *nil*.

Local trade may be said to be at a stand-still, and the depression during the holidays is perhaps felt even more keenly this year than heretofore on account of the preceding sluggishness of trade. Most of the lumber-consuming establishments have been holding back their orders, in order to reduce their stocks and facilitate stock-taking, in which they are now busily engaged. The prospects cannot be said to be any too bright, though many of the dealers are looking forward to a fairly brisk spring trade when the factories begin to stock up, and it is to be hoped that their expectations may be fully realized. The Grand Trunk Railway, on the urgent requests of the lumber trade, and with a view to meet special adverse conditions of the trade, has reduced its charges on lumber to the United States, and also increased the allowance on the local trade from 2,000 to 3,000 pounds for shipment on flat cars during the winter season. The dealers have been notified that unless advantage is taken of these concessions, it will be impossible to obtain a renewal of them in future winters.

Trade in the West has not suffered to the same extent from the holidays as the Toronto trade, yet there has been a noticeable falling off of shipments, and it will take some little time before it will recover its usual activity.

Shipments of hard woods to the United States have gradually fallen off, until at present only an occasional car is being moved. This is due principally to the exhaustion of dry stocks. Mill men are making the best of the scanty sleighing, however, in getting their logs to the mills, and there will soon be a fair showing of new stock if no serious change in the weather occurs, and we feel safe in predicting a good opening for hard woods in the early spring, as enquiries are abundant. In this connection we would suggest to mill men that they would do well to pay special attention to the manufacture of basswood and maple. By sawing their logs while the frost is in them they obtain a class of lumber that is always in demand, and at better prices than the ordinary stock will bring.

Cars can be readily obtained at present for all local shipments, and foreign cars are fairly plentiful. There is very little lumber in Toronto yards at present.

There is a better feeling existing among lumbermen in the Ottawa district than for some time past, and most of the mill owners express the belief that the present season will make up for the dullness of 1890, and that business will be brisk in the spring. The feeling seems general that a brighter opening of trade may be looked for with the United States. As regards the English trade it is generally conceded that it cannot be any worse than it was during the year just closed, and there are chances that it may be better, stocks having run pretty low. With respect to the South American trade, though matters are more settled, it is generally admitted that the present high value of gold will prevent an early revival, as lumbermen will not accept so depreciated a currency and will not give credit on it.

The operators in spruce, both in Quebec and New Brunswick, are strongly protesting against the removal of the export duty on logs of all descriptions to meet the requirements of the McKinley bill. They contend that they are placed at a disadvantage as they cannot now pay \$2 duty on spruce and ship to the United States, while pine goes in at \$1 duty. The McKinley bill has made matters worse for the operators in the lower provinces by laying a duty of 20 per cent. *ad valorem* on cedar railroad ties and telegraph poles, which goes into effect March 1st next. Last year Quebec sent to the States ties to the value of \$78,000, while the shipments from New Brunswick footed up to \$77,000.

Across the line reports go to show that the lumber trade is in a very satisfactory condition. Despite the continued stringency in the money market, the move-

ment of lumber during the month of December has held up stronger than during the same month in any corresponding year. The month will round out a year during which the consumption of lumber has been phenomenally large from start to finish. The prospects are exceedingly bright for the opening up of a good spring trade. As the figures are made up they go to show that at no point is there an excess of stock. It is generally thought that should trade in the spring start with vigor, there is no reason why prices should not advance to some extent. Prices for southern lumber have advanced sharply, and it is believed that unless the money stringency shall upset present calculations, that a further advance will not only be possible, but quite probable.

At Tonawanda the full reports are not in for the season's business, so no estimate can be made with any accuracy as to the season's trade. The canal business has probably fallen off some. It has however, gone away ahead in lumber and timber. Shingles have fallen off. Lumber shipments show 23,369,229 feet over last year. The shipments this year for cards and scantling were 313,569,621 feet, shingles 13,186,000, timber 1,258,604 cubic feet, and 425 cords of wood.

Albany dealers are now in their winter quarters taking inventory of stock on hand. From all indications there is a good assortment of all grades excepting 1 1/4 inch and 1x12 inch, and thick uppers, which are a scarce article in the market now. The bulk of the shipments was disposed of before the closing of navigation, and the dealers are now prepared to fill orders for car shipment.

Taking it as a whole, the lumber trade at Boston can look back upon a generally favorable season. There has been a very good demand nearly all the time for all desirable stock, and prices are well maintained. The season has been characterized as one remarkably free from financial troubles of all kinds, in spite of the disturbed state, for some time past, of the stock and money markets of the world. The spring season promises to open well; supplies are not excessive, and the prospects are for a good distribution throughout the coming year.

In New York, at this season of the year, trade is very quiet. In the main, assortments are in good shape. There is room for considerable first quality spruce and hemlock.

There is a great scarcity of good lumber in Buffalo. The supply from Michigan is diminishing more and more every year, and stocks must soon come from elsewhere. Reports from the Pennsylvania lumber district indicate a sharp competition for all good timber lands, many of which have lately changed hands. With these things in their minds, lumbermen are looking more than ever toward Canadian forests as a solution of the present problem.

The trade at other American lumber points in which Canada is particularly interested show signs of considerable activity for this season of the year, and the prospects seem good for a heavy demand for Canadian stocks on opening of navigation.

The *Timber Trades Journal*, speaking of the timber trade throughout Britain, says: "Everyone is complaining of bad trade, but is looking forward to better things next year (they could hardly be worse), but we do not think there will be any immediate advance in prices of anything until people see how business goes, and that will not be till well into the new year. The large stocks of pine and spruce will ensure plenty of those descriptions being represented in the public sales of next year, as there are so many inferior parcels in the docks which it will not pay to hold, but the really dry stuff we anticipate will make fair value. The year now passing away must have been most unsatisfactory to the generality of the trade, as very few can have made anything out of it, and when merchants come to take stock at the present low values, as every one must, to be fair in his balance sheet, we expect they will all pull long faces at the result. However, it is no use looking at the black side; let us hope, with the examples afforded in the past, that the trade will adopt a system which will keep them on the right side in the future, and that the losses of 1890 will be more than counterbalanced by the profits of 1891."

CORRESPONDENCE.

Editor Canada Lumberman:

DEAR SIR,—Would you kindly give me your opinion, or the opinion of any authority, on the following questions:—

Do you think it practicable for a planing mill in this locality (Huron county), manufacturing sash and doors, to expect a profitable trade with Toronto in these goods? In the three locations for a factory which would you recommend. (1st) In Muskoka, where pine could be bought at first cost, but would be subject to higher freight charges in the manufactured goods (sash and doors) to Toronto; (2nd) Huron county, where the pine shipped in the rough from Muskoka would consequently have a less sum to pay on the manufactured articles to Toronto, because of a closer proximity; (3rd) Toronto, where the pine would come in the rough straight from Muskoka, and no excessive freight charges or extra haulage would need to be paid for?

The Huron county location has the advantage of cheap labor, and chances of a good local trade being done, where higher prices are feasible and living cheaper, perhaps.

The expensiveness of operating in Toronto, where wages, rents, etc., are high, must militate against Toronto sash and door men.

Now, the above statements may betray an ignorance of the true relative positions, and a want of "grasp" of the subject in charge, but as you will have an idea of what I am driving at, it would be a great favor to me if you were to give me any authoritative opinion on the matter.

There is one more question, and it is in the lines of one very prominent before the people of Canada today, namely: Granted that we had reciprocity with the United States, would our chances for selling sash and doors not be equally as good in Buffalo as in Toronto? Any information or light thrown on any of the above matters will be thankfully received by me.

THOS. GIBSON, JR.

Wroxeter, Dec. 10th, 1890. (of Gibson Bros.)

[The manufacture of sash and doors, and in fact all varieties of builders' material, has, for several years, been considerably overdone. Especially is this the case in the city of Toronto, where but few, if any, of the numerous factories can find sufficient orders to keep them running at a reasonable capacity the year round. The best location for a factory of this kind is undoubtedly where a local trade can be secured, and where a respectable price for the product can be obtained. Our correspondent mentions Muskoka, in connection with Toronto and Huron county, as a likely point for the establishment of a factory. Taking it for granted that the raw material could there be purchased at first cost, there are two very important reasons why Muskoka would not prove a desirable location. The first of these is the lack of proper shipping facilities, and, second, the prejudice which undoubtedly exists among consumers in favor of goods manufactured in large centers of trade. Then again, the man who understands how to buy can purchase lumber in Toronto almost as cheap as at the point of manufacture. There would certainly not be the difference of the cost of freight. The choice, therefore, rests between Toronto and Huron county, and after a careful survey of the situation we would advise that, if our correspondent already has a reasonably good local trade, that he had better stay where he is; and with the advantage of an already established trade, lower cost of production and reasonable shipping facilities, start out with the object of pushing his goods into outside markets. If the quality of manufacture is up to the mark, there is no reason why goods manufactured at Brussels and other points in western Ontario should not find a market in Toronto and other important centres. Price and quality will tell every time. Referring to the question of reciprocity with the United States, while we do not favor such a measure on general principles, there can be no doubt but that it would open out a very profitable market for those engaged in the manufacture of builders' material.—ED.]

THE largest bridge now in the North-West is that spanning the Souris river at Milford. Its length is 3,300 feet and it contains one Howe truss of 105 feet. The quantity of material used is 1,300,000 feet board measure. This immense structure was erected in five weeks.