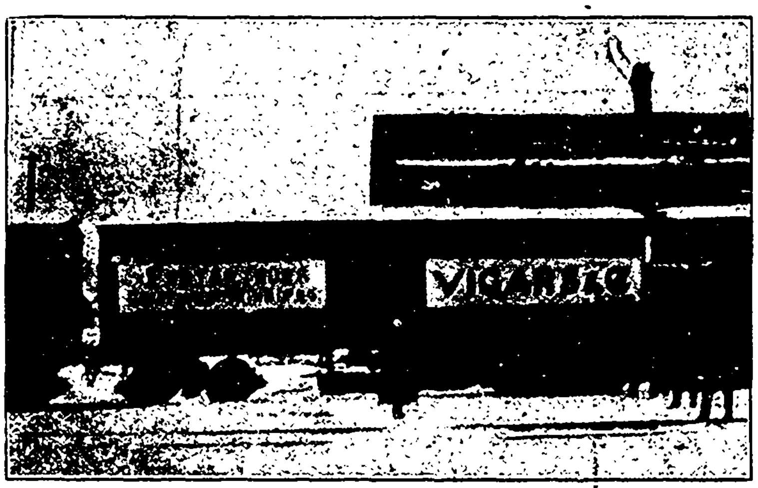
REVIEW OF THE LUMBER TRADE

Progress of the Past Year in the Manufacture and Shipment of Lumber.—A Banner Year for White Pine.—Volume of Export Business Remained Almost Stationary.—Statistics of the Different Provinces.



THE TWO SIDES OF FIRST CAR OF LUMBER SHIPPED FROM PORT ARTHUR TO WINNIPEG OVER THE CANADIAN NORTHERN RAILWAY.

IT is not possible to chronicle great expansion in the lumber trade of Canada during the year 1901. The demand, however, was of moderate volume, and prices, on the whole, were well sustained. When it is considered that the British timber market was depressed almost throughout the entire year, the figures of export shipments presented in this number must be regarded as eminently satisfactory. That there were practically no failures in the lumber trade is another cause for congratulation.

There was a steady appreciation during the year in the price of white pine lumber. This was due in large measure to a revival of trade with the United States. Turning to the figures for 1900, we find that shipments to that country were comparatively small owing to the unsettled condition of business prior to the Presidential election. Thus at the beginning of last year dealers and consumers were carrying exceptionally light stocks, and a brisk buying demand set in which continued almost without interruption throughout the year. Canadian mills were called upon to supply a large quantity of the requirements of Michigan and the Eastern States. For the ten months ending October 31st the exports were 452,349,000 feet, of a value of $6,190,545, while for the same period in 1900 the value of exports was $5,530,713. The domestic demand for white pine was likewise heavy, and the year closed with manufacturers carrying exceptionally light stocks of unsold lumber. The higher grades were in greatest demand, the advance in these being quite marked. It is estimated that within the past three years the grades of white pine that are used in sash and door manufacture and in house finish have advanced $10 per thousand. The explanation of this is that in the great pine districts of Canada and the United States the quantity of standing timber is gradually becoming diminished. This is illustrated by the production last year in the States of Michigan, Wisconsin and Minnesota, where the total cut was only slightly in excess of 5,000,000,000 feet, although every effort was put forth in the winter of 1900-1901 to get out as many logs as possible. Within ten years the cut in these states has declined over 50 per cent. While a corresponding reduction has not taken place in Canada, the fact emphasizes the necessity of pursuing a conservative policy in respect to the cutting of timber and of protecting our timber limits from fire.

The cost of logging has now become a serious problem with lumbermen. Within the past three years it has increased about 50 per cent., due to the higher cost of labor and supplies and to the necessity of going further back into the woods for timber. It has, therefore, become absolutely necessary that higher prices should be obtained for lumber, and it is extremely improbable that the low prices of a few years ago will ever be reached again.

A large production of hardwood logs one year ago was responsible for an unsettled market for that class of lumber last year. While prices did not decline to any extent, there was no snap to the demand, although towards the close of the year there was a slight improvement. A light input of logs this winter is likely to bring about better conditions during the coming season. It would be advisable, however, for manufacturers to give more attention to the export trade, as there is a large market in Great Britain for hardwood lumber cut to standard sizes.

From the tables following it will be seen that the foreign shipments of British Columbia, Quebec and the Maritime Provinces were almost as great as in the previous year, while if complete statistics were available they would doubtless show that a substantial increase was made in the shipments from Ontario.

ONTARIO.

To speak of the lumber trade of Ontario it is necessary to make a division between white pine and hardwoods. The cut of pne logs in the winter was fairly heavy, and [illegible] as very few were hung up in the streams, the [illegible] mills were well supplied with raw material. The demand was such as to stimulate produc[illegible], and the total white pine lumber output of [illegible] province was comparatively heavy and so[illegible]hat in excess of the previous season. T[illegible] Ottawa valley production was 611,000,000 [illegible]et, an increase of 22,000,000 feet for the seas[illegible] The mills in in the Georgian Bay distric[illegible] were operated to their full capacity, and t[illegible]g into account the new mills that have been [illegible]t into commission since the export of lo[illegible] was prohibited, the increase is estima[illegible] to be considerable.

The volume of white pine [illegible]de was greater than in 1900. Heavy shipm[illegible]s were made to the United States, and there was a large domestic consumption. The industries of the province were in a flourishing condition and the agricultural interests enjoyed a period of prosperity, conditions which brought about an increased demand for lumber. As prices at the beginning of the year were comparatively high, a marked advance was not looked for, and consequently the range of prices generally was narrow; yet the improvement which exhibited itself early in the year finally resulted in a net gain in price, on an average, of about one dollar per thousand. In the higher grades and the class of lumber exported to the United States the appreciation was from two to three dollars, while on the other hand some of the lower grades remained stationary, even selling off slightly about midsummer, to recover towards the close of the year. Clear picks, which sold at $32 in 1900, brought $35 last year, and common stocks, which were marketed at $14 in 1900, realized from $15 to $16. A considerable portion of the cut of the western mills was sold to Michigan dealers.

A dull demand characterized the red pine trade. On account of the unsettled condition of the British market it was difficult to effect sales early in the year, and while there has since been some improvement, the immediate future of this class of lumber seems somewhat uncertain. Hemlock prices advanced during the year from $9 to $10.

Of the hardwood situation nothing encouraging can be said. Stocks were offered more freely than during the previous year, and while prices did not decline seriously, no advance for the year was accomplished. In some classes