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BY—  
**ARTHUR G. MORTIMER**

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J. S. ROBERTSON,

EDITOR.

THE CANADA LUMBERMAN is published in the interests of the lumber trade and of allied industries throughout the Dominion, being the only representative in Canada of this foremost branch of the commerce of this country. It aims at giving full and timely information on all subjects touching these interests, discussing these topics editorially and inviting free discussion by others.

Special pains are taken to secure the latest and most trustworthy market quotations from various points throughout the world, so as to afford to the trade in Canada information on which it can rely in its operations.

Special correspondents in localities of importance present an accurate report not only of prices and the condition of the market, but also of other matters specially interesting to our readers. But correspondence is not only welcome, but is invited from all who have any information to communicate or subjects to discuss relating to the trade or in any way affecting it. Even when we may not be able to agree with the writers we will give them a fair opportunity for free discussion as the best means of eliciting the truth. Any items of interest are particularly requested, for even if not of great importance individually they contribute to a fund of information from which general results are obtained.

Advertisers will receive careful attention and liberal treatment. We need not point out that for many the CANADA LUMBERMAN, with its special class of readers, is not only an exceptionally good medium for securing publicity, but is indispensable for those who would bring themselves before the notice of that class. Special attention is directed to "WANTED" and "FOR SALE" advertisements, which will be inserted in a conspicuous position at the uniform price of 15 cents per line for each insertion. Announcements of this character will be subject to a discount of 25 per cent. if ordered for four successive issues or longer.

Subscribers will find the small amount they pay for the CANADA LUMBERMAN quite insignificant as compared with its value to them. There is not an individual in the trade, or specially interested in it, who should not be on our list, thus obtaining the present benefit and aiding and encouraging us to render it even more complete.

**PROBLEMS OF THE TRADE.**

THE recent failure of Gall, Anderson & Co., of this city, has served to make bare some of the weaknesses, that have honeycombed the lumber trade of the country for a number of years. A list of direct liabilities aggregating \$59,000 carries with it several obvious inferences; and when to this amount is added a bank indebtedness of \$93,000, to secure which the best assets of the estate had been pledged as collateral, perhaps it is not surprising that the dividend paid to the direct creditors does not exceed nineteen and a-half per cent. The assets of the estate have been sold to Mrs. Gall for \$11,552, she arranging the bank claim and paying the preferred claims and liens.

Some of the creditors are disposed to dispute the claim of the bank, but it is not known of any legal steps being taken in that direction. Banks usually look out for themselves, and make sure of the methods they adopt in dealing with a customer. The position of the ordinary creditor is not likely to be helped by the safeguards that the bank lays hold of to make itself solid, but in this respect it is only another case of "the devil take the hindmost."

Where the creditor is more frequently misled is in the false impression he obtains of the assets of the debtor. He steps into a customer's shop and he sees around him a vast quantity of valuable machinery and stock in various conditions of manufacture. He looks into the yard and there sees piled up thousands of feet of lumber. He comes to the off-hand conclusion that the assets are abundant and he cannot run much risk in making a sale of \$2,000 or \$3,000. As a matter of fact the whole concern may be hypothecated to the bank.

The liabilities of Gall, Anderson & Co. are represented in fifty-nine amounts. These are divided as follows: Eight under \$100; eleven from \$100 to \$300; seven, \$300 to \$500; twelve \$500 to \$1,000; eleven \$1,000 to \$2,000; four \$2,000 to \$3,000; four \$4,000 to \$5,000. Nearly all the leading lumber firms both of city and

country rank on the estate. The insolvent firm was of course in business on a considerable scale; but does not an analysis of the liabilities, in the light of the information that is now in creditors' hands, indicate that credit was given with a prodigality that is outside the bounds of safe trading? We suppose the reason for this is not hard to seek. The size of the list of creditors is evidence that the opportunities for buying were not few and far between. They could only have served as a feeder to overtrading because of the easy road they furnished to secure credit. All were anxious for trade and, as a prominent lumberman remarked when discussing this case, which the LUMBERMAN has taken simply for the purpose of illustrating its remarks: "There is no lumberman but what has some lines of stock he is solicitous of selling; if he does not make the sale, competition is so keen, someone else will, and risks are taken against one's own better judgment."

In a word, too many men are engaged in the lumber business, and yet probably there has been no time in the history of the trade, in Toronto at least, when so little capital was seeking investment in this direction. Writing in the terms of an interview on the E.L.I. page, it can hardly be said that Toronto has a wholesale trade worthy the name and commensurate with the importance and magnitude of the lumber industry. A large business is necessarily done, as the metropolis of the province it could not well be avoided; but it is a broken trade, divided among what wholesalers there are, an army of commission men and the mills. Anyone, if he has the money, can go direct to the mills and buy a carload of lumber assorted to meet his particular requirements.

This matter of ignoring the middleman and buying direct from the producer is to some extent an evolution of present-day business methods in almost every line of trade. Whether the effect on business in general is beneficial is open to serious question. It takes away from the manufacturer the advantage gained in having his accounts in comparatively few hands, of whose financial standing he can more readily be advised and know. In its stead he multiplies his accounts and the expense and labor of looking after them; and if his eggs are not all in one basket, the many in which he has placed them are too often made of exceedingly flimsy material, and in too many cases will not carry safely what is in them. Relatively the same general principles apply to the lumber trade, whilst special and particular conditions govern its operations.

One result of banishing the yard trade at any market centre, is that there is no standard system of inspection. It must always be so where each mill makes up its own particular lot of lumber to suit the particular customer. A need of inspection is a need that ought not to exist in the lumber trade, and one that is not conducive to the best interests of the trade in its entirety.

Difficulty in regulating prices is likely to be experienced where the yard system is abolished and lumber is distributed from the mills. This has been the experience for some time in the yellow pine market of many of the Southern States, where there is no coherence among the trade; everyone buys from the mill, and each mill has its own price. It is claimed, owing to the very wide producing field in the south, and the want of converging points for shipping stocks, that these conditions cannot be avoided. The disastrous effect of this line of operations is nevertheless fittingly illustrated in these southern conditions.

Where there is no market centre for the carrying of the various products of the various mills, and distribution goes out from no place in particular, the interests of millmen are prejudiced to the extent that they do not succeed in placing before the trade generally the full producing strength of the mills. The consumer is necessarily at a disadvantage when without a centre to which he may go for the different varieties of lumber that his business may require.

How far these conditions have been a factor in the present disorganization of trade in Toronto and serve to explain the cause of the losses sustained by lumbermen here and elsewhere, is a point on which there is perhaps a division of opinion. We are likely to return to the question in a future issue and we shall be glad to have the lumbermen themselves "speak out" through these columns, which are open to all.

**FORESTRY IN QUEBEC.**

A CORRESPONDENT, writing to a local journal, pleads for greater forestry preservation in the province of Quebec. He notes with approval the steps taken by the Ontario Government in appointing a commission to enquire into the methods and expense of maintaining a forestry reserve in this province and hopes that the new Commissioner in Quebec "will address himself to the problem of forest conservation." An attempt, it appears, was made under a former administration to inaugurate a system of forest reserves, but it never took any active shape. "There were under license," we are told, "in 1890 in the upper Ottawa agency, in round numbers, 21,000 square miles; lower Ottawa, 6,000; St. Maurice, 11,000; Saguenay and other eastern agencies, 19,000; in all, 57,000 square miles. About 3,000 square miles of the above have been abandoned, and there are 16,000 square miles upon which no operations have been made during the last five years." All told, there is 38,000 square miles of territory under license in the province of Quebec, upon which more or less lumbering is constantly carried on. Not more than one-half of this is pine-producing, and the remainder is largely spruce. "The comparative value of the Upper Ottawa, and the River Rouge in Argenteuil, both about equal in area, can be judged," says this correspondent, "by the fact that only 305 miles have been relinquished in the Upper Ottawa agency, while 3,674 miles have been relinquished in the agencies east of the river Rouge. If any active effort will be made towards preserving our white pine it should be directed towards the Upper and Lower Ottawa agencies of 27,000 square miles; but it is fair to assume that scarcely half of this area is pine-bearing, or what lumbermen call a pine country."

On this data it may not be possible to calculate very closely just the time when the forests of Quebec will be shorn of their present timber wealth, but each year undoubtedly brings that time nearer. It is a hopeful sign, under these circumstances, to find those interested in the lumber affairs of Quebec giving thought to the question of forestry preservation, and we may wish that the Provincial Government, which has need to conserve all the wealth possible to itself, will give practical effort to the suggestion to look with vigilance after this important source of wealth within its own borders. This province will watch with interest its movements.

Forestry to-day, as we have pointed out in these columns before, is a question of practical importance to every lumberman, besides having a distinct national bearing, and that Government which aims to move wisely along these lines, will be moving for the future gain of its people. It is pleasing to observe that the able paper by Hon. J. K. Ward, published in the May LUMBERMAN, is having no small influence in creating thought among our eastern lumbermen concerning this matter.

**A LUMBER SUIT.**

THE case of Simpson Rennie against Brown and the Uttersson Lumber Co., which has been in litigation for a considerable time, has at last been settled by the Supreme Court, judgment being in favor of the plaintiff. The Uttersson Lumber Co. is composed of J. W. Lang, ex-Ald. W. W. Park, James Todhunter, Wm. Mitchell, of Toronto, and Mr. Steele, of Brampton. The property of the company consists of a large sawmill on Mary's Lake, Muskoka. Years ago the owner was Robert Brown, to whom Simpson Rennie, a Scarborough farmer, loaned \$2,500, and took a mortgage on the mill and adjoining eighty acres as security. Long afterwards it was found that the mortgage had accidentally omitted mention of the mill, and as the land was worth little, Rennie would lose his money unless he could make the mortgage apply to the mill. The omission occurred by reason of the fact that the mill stands on posts in the lake and does not touch the land. Before the Toronto men bought the property Rennie says he gave them notice of his claim, but the mill was part of a bankrupt estate about 1888, and they bought it from the assignee, R. H. Gray, of Toronto. Rennie was successful in his action to hold the mill on the mortgage before Justice Falconbridge, again in the Court of Appeal and again in the Supreme Court. The costs, it is said, now amount to \$3,000, or more than the mortgage.