THE CANADA LUMBERMAN
WOOD WORKERS' MANUFACTURERS' AND MILLERS' GAZETTE

MONTHLY AND WEEKLY EDITIONS

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THE CANADA LUMBERMAN is published in the interests of the lumber trade and 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.

Especial 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.

FREIGHTS ON HARDWOODS.

THE injustice from which the hardwood industry of Canada has so long suffered as a result of discrimination in freight rates may yet be rectified. As forecasted in a previous issue, the question has been taken up by the Lumbermen's Association of Ontario, and recently a deputation from that body interviewed the traffic managers of the Grand Trunk and Canadian Pacific railways at Toronto, on the subject. It was pointed out that no discrimination should be made as between pine and hardwood lumber, that the higher freight rates on the latter could not justly be maintained, and that it would be in the interest of the lumbering industry, the railway companies, and the country generally, to encourage the manufacture of hardwoods. The representations of the deputation were promised the usual consideration.

With but few exceptions, from one to two and one-half cents per 100 pounds is charged against hardwoods as compared with pine and other soft woods shipped to points in Canada. This can be verified by reference to the freight rates published on the third page of the CANADA LUMBERMAN WEEKLY EDITION, and which are revised by the railways. Taking one or two points for illustration, the rate from the Owen Sound, Wiarton and Hepworth district to Toronto is 6½ cents per 100 pounds on pine and 7½ cents on hardwoods; to Montreal from same district the rate is 12½ and 15 cents respectively, a difference of 2½ cents. The average discrimination, however, to Ontario points, is about one cent per 100 pounds. This, at a glance, seems a trifling discrimination, yet a little investigation shows how seriously it is affecting the hardwood trade. The minimum car-load of lumber, as fixed by the railway authorities, is 10,000 feet, and the minimum weight 30,000 pounds. Thus, on a car-load of hardwood lumber the overcharge of one cent per 100 pounds would be equal to three dollars, or 30 cents per thousand feet. This, in these days of keen competition, is quite an important item.

The business of exporting hardwoods to the European markets is handicapped to a still greater extent. From the hardwood district of Owen Sound to Montreal, the nearest point of vessel loading, the additional charge on a car-load of hardwoods over that of pine is $7.50, equal to 75 cents per thousand feet. This cannot but have a tendency to discourage any efforts in the direction of establishing an export trade.

What method of figuring was adopted by the railway authorities in arriving at the decision to subject hardwoods to a higher rate of freight than pine it is difficult to conceive. It is generally understood—in fact, we are so advised by the railways—that the schedule of rates is based upon the valuation of the goods. This being so, the inference is that the members of the Classification Committee are of the opinion that hardwood lumber is more valuable than pine. Such is not the case. Were there to be found in this country even moderate quantities of mahogany, walnut, rosewood, cherry, etc., the contention that hardwoods are more expensive than pine might be justified. But we observe that such woods as these are placed in a higher category than the other hardwoods, and are not permitted to be shipped at the same rate of freight, the railway companies reserving the right to make special charges for more valuable woods. The evident intention is, therefore, to discriminate against the cheaper varieties of hardwoods.

The hardwood timbers found most plentifully in Ontario are birch, ash, elm, maple and beech. *The average selling price of these is, we believe,* below that of pine, while the cost of manufacturing is even greater, leaving a smaller profit for the manufacturer. The waste in pine during process of manufacture is comparatively small, while at least 25 per cent. of the hardwood timber finds its way to the wood pile, in the shape of hearts and other defects. The remaining 75 per cent. is worth about $13 per thousand feet at the mill. Out of every thousand feet of logs only 750 feet of saleable lumber is obtained, netting $9.75. The average price paid for logs is $6 per thousand feet, and adding $2 as the cost of manufacture, brings the cost to the mill man of producing one thousand feet of marketable lumber to $8. It will thus be seen that the margin of profit is very small, and that but a limited revenue is derived from the small cut of the average hardwood mill. Another feature of the hardwood trade is that it is impossible to handle large stocks, as can be done with pine, owing to scattered growth, and the fact that only a small percentage of it is suitable for saw logs, small and rough logs going into firewood.

We believe it to be a short-sighted policy on the part of the railways to discriminate against the hardwood industry, which, more perhaps than many other branches of commerce, requires fostering at least to a reasonable extent. If given equitable freight rates, and under present conditions, the export of hardwoods to foreign markets is certain to increase, as it has done, even under unfavorable circumstances, during the past few years. Ontario, the hardwood province of the Dominion, is so situated geographically as to be largely at the mercy of the railway companies with respect to export.

The question of equitable freight rates also bears a close relation to the development of local industries. The scattered growth of hardwoods makes it necessary that they should be transported to some central point for manufacture at the lowest possible cost. Within the last few years several factories have been established in Ontario for the manufacture of wood specialties, such as chair stock, clothboards, etc., for export, hardwood timber being used as the raw material. These industries, employing hundreds of workmen, are of great advantage to the country, utilizing, as they do, much timber which could not be exported at a profit, and which would otherwise remain in the bush to be destroyed by fire. A liberal policy on the part of the railways will result in the establishment of a still greater number of such industries, as well as in greatly increasing the volume of freight traffic.

It is desirable that everyone interested in the hardwood trade should lend their aid to accomplish a reduction in the freight rate. It is believed that the Joint Traffic Association is responsible for the discrimination which now exists, and it *should only be necessary to present the facts in* their proper light in order to obtain redress.

THE PROPOSED TIMBER AND DEAL CHARTER.

ON another page will be found a copy of the new timber and deal charter as drawn up by the British Chamber of Shipping for the regulation of the Canadian export timber trade. This charter is so unsatisfactory and contains so many objectionable clauses that the timber interests on both sides of the Atlantic have strongly expressed their dissatisfaction therewith. On October 28th, at a meeting convened in London, Eng., by the Timber Trade Federation, the following resolution was passed:

"That this meeting, having considered the proposed new British North America charter, formulated by the Chamber of Shipping, and having regard to the unanimous objections of the trade in all parts of the kingdom to its provisions, cannot advise members of the federation to attend the conference called by the Chamber of Shipping for November 2nd, 1898. This meeting further considers that, in view of the abortive result of the prolonged negotiations with the Chamber of Shipping respecting the Baltic charter, such conference, on the basis of the form now submitted, could not lead to any satisfactory arrangement being arrived at, the trade being satisfied that the terms embodied in the London Chamber of Commerce and similar forms now generally in use, are fair and reasonable for both parties."

This resolution has been concurred in by the shippers from Montreal and Quebec, who regard the charter as inapplicable to these ports, and not nearly so satisfactory as the London Chamber of Commerce charter now in use.

This question is one which may seriously affect the Canadian export trade, causing, as it must, a temporary deadlock in chartering. Yet the form of charter seems so manifestly un-