CANADA LUMBERMAN
WOOD WORKERS' MANUFACTURERS AND MILLERS' GAZETTE

MONTHLY AND WEEKLY EDITIONS

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ADVERTISING RATES FURNISHED ON APPLICATION

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.

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 tr[illegible] 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.

TO VISITING LUMBERMEN.

Lumbermen visiting Toronto are invited to use the office of the CANADA LUMBERMAN as their own. We shall take pleasure in supplying them with every convenience for receiving and answering their correspondence, and hold ourselves at their service in any other way they may desire.

OUR FOREIGN TRADE.

CANADIAN lumbermen have in the past year succeeded in extending their trade with many foreign countries, which, in the face of the depression in the United States, is particularly encouraging. The eastern provinces have catered largely to Great Britain, South America and the West Indies, while the statistics which appear in our Annual Review show that British Columbia is reaching out with success for foreign trade. The largest shipments were made to South America, South Africa, Australia, Great Britain and China. Unfortunately, Ontario has made little apparent advancement in the direction mentioned, apart from Great Britain, although it is quite possible that a larger percentage of our lumber was shipped to the United States for reshipment to foreign countries than heretofore.

Canada is, however, apparently slowly awakening to the necessity of controlling her own export trade, instead of allowing it to be conducted by the United States without any credit whatever being given to Canada. In this connection we note with pleasure the published statement that next season vessels will probably sail between Montreal and Australian points, as recommended by Mr. J. S. Larke, Canadian Commissioner for Australia. At Cape Town, in South Africa, a bureau for the representation of Canadian goods has been established, where every facility is afforded the Canadian exporter.

Until direct steamship lines are established between Canada and foreign countries the development of our foreign trade is likely to be somewhat slow. The difficulty in this direction has been in obtaining profitable cargoes both ways.

As a means of extending the Canadian lumber trade, we commend for consideration the suggestion made by Mr. Haynes, of the Timber Trades Journal, that we should increase our manufactures of wood. The high carrying charges practically prohibit the exportation of low grade lumber, but were this lumber manufactured into furniture, etc., it could be placed upon the foreign market at a profit.

EFFECTS OF OVER-PRODUCTION.

IN the past the tendency of lumber manufacturers has been to almost entirely disregard the law of supply and demand, and produce a large output without giving consideration to the condition and requirements of the market. In his desire to annually increase the returns from his business, stimulated by the surmise that his neighbor will curtail operations, the average manufacturer has, year after year, continued to operate on a large scale. The natural effect of this has been to depreciate values and to depress trade in general. Owing to the lower prices obtained, the manufacturer finds at the close of the year that, while he may have succeeded in disposing of his entire output, the profits accruing therefrom were so small as to reduce the net receipts to a lower figure than the preceding year, when the volume of business was considerably less. This, in a measure, accounts for the depression which has prevailed in the lumber trade of the United States and Canada during the last few years, although it must be admitted there have been other influential agencies at work. Over-production must of necessity be followed by a weakening of the market. Manufacturers find themselves unable to hold their stock, and consequently, to secure capital, are obliged to dispose of it at a low figure.

A striking illustration of the effect of over-production is shown in the case of birch timber. During the winter of 1895-96, as the result of a firm market for birch in Great Britain, there was manufactured a very large quantity of this class of timber, several small operators entering the field who had not previously taken out sqaare timber. Quebec houses contracted for 18-inch average at 27 cents per cubic foot, for delivery in the summer of 1896. The result was the overstocking of the British market and a sharp decrease in prices towards the close of the season, the effect of which is manifesting itself in the transactions for next year. While 27 cents was freely paid last winter for birch of 18-inch average, the same class of timber has been offered at Quebec within the past two weeks at 22 cents, and refused by buyers. It will require some time for the birch timber market to regain its position, in spite of the fact that consumption is active.

Notwithstanding the above facts, it is encouraging to observe that lumbermen are gradually becoming convinced of the necessity of curtailing operations to a point in keeping with the [de]mand, as is shown by reports which have reac[hed] this office from over fifty manufacturers in [On]tario. Referring to the extent of operation[s in] the woods, these reports state that the outp[ut of] logs will be fully fifty per cent. less than [last] winter. Some manufacturers are not opera[ting] at all, while others are putting in a very l[ight] stock. These remarks do not apply to the [Ot]tawa valley, where the production will prob[ably] be equal to last season, or to the north-wes[t] section of Ontario, which supplies the Mani[toba] market.

This decreased output must have an app[reci]able effect upon the market, and should the t[rade] of 1897 develop satisfactorily, the over-pro[duc]tion of lumber now upon the market will be[come] a thing of the past.

EDITORIAL NOTES.

THE Dominion Rifle Association have sel[ected] plans for the proposed Canadian headquarte[rs at] Bisley, to be erected the coming sp[ring]. The building, estimated to cost $7,500, [is to] be constructed entirely of Canadian w[ood], and should serve to show the adaptability of [our] lumber for building purposes. Canadian lum[ber]men should not allow this opportunity to [pass] without taking steps to secure the erection [of a] building such as will be a credit to Car[nada]. This may be accomplished by having the [best] of woods utilized in its construction.

THE necessity of obtaining as much first-[class] lumber as possible out of a stock of logs [was] never more apparent than at the present [time]. While coarse lumber has been a drug o[n the] market and has depreciated in value during [the] period of inactivity, the better grades have [been] in good demand at firm prices. In the ca[se of] white pine this has been particularly notice[able]. To meet the extreme competition, it is not [only] necessary to reduce the cost of manufactu[re in] every possible manner, but also to thoro[ughly] study the demands of the market, and end[eavor] to supply such stock as will meet with a [ready] sale at remunerative prices. Had more atte[ntion] been given to this matter in the past, it is [pos]sible that the large stocks of coarse lumber on the market might have been turned to profitable account.

A COMPARISON for the past fifteen years [of the] number of sailing vessels leaving Quebec [shows] how rapid has been the decline of the busi[ness at] that port. According to J. Bell Forsyth's [circu]lar, 459 vessels, with a capacity of 380,18[6 tons,] cleared from Quebec in 1881. In 1886 the [num]ber was reduced to 325, in 1891 to 205, [and in] 1895 to 86 vessels. The season of 1[896 is] credited with an increase, the total sailing [vessels be]ing 103 and the aggregate tonnage 82,622. [The] number of steamers was also larger, the [number] being 90, against 58 in the previous [year]. While Montreal is likely to maintain its [position] as a shipping port, it is quite pr[obable] that some of the old-time vigor will be re[stored] to Quebec as a result of the extension of t[he] industry, much of the raw material for w[hich is] found in the adjacent districts. Direct ra[il con]nection with the west and the improve[ment of] the shipping facilities at the harbor wou[ld] assist in this direction.