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The Journal of Commerce

FINANCE AND INSURANCE REVIEW.

MONTREAL, MAY 5, 1876.

OUR TIMBER SUPPLY.

If there is one department of manufacture which more than another illustrates the shortsightedness of the men engaged therein, it is the lumber business of Canada and the United States. It is only a few years ago that the people of Great Britain began to be concerned as to the permanency of her coal supply on which her superiority as a great manufacturing centre largely depends, some statisticians causing serious alarm by estimating that it could scarcely last another hundred years. Bearing this in mind, let us see how we stand respecting our timber supply. For almost a generation the people of Canada and the United States have been using their utmost endeavors to get rid of what is to us of as great consequence as England's coal supply is to her, and more difficult of replacement. The amount prepared for home consumption and exportation every year is something enormous, and this with little if any reference to the demand. Each season showed an increased supply over the preceding through improved facilities for manufacture, and people never stopped to think of the future but went on cutting down as if the supply could last forever. Now, however, that we begin to see our way through to the clearing on the other side, a few begin to consider whether we

have not been too fast, while others wonder at the lessening prices, and speculate on the possibility of a rise.

Last November, when the first indications of a probable increase in prices began to be felt in the English markets, we announced it to our readers, coupling it, however, with the advice to avoid over production. This we are sorry to say has been almost totally unheeded, and the consequence is that, through the enormous quantities since prepared, English dealers are disinclined to make any advance accordingly, well knowing the magnitude of the supply. The production in New Brunswick, in the Ottawa Valley and in Michigan is much in excess of that for 1875, and the shipments from the port of St. John for the four months ending 1st of May are over fifty per cent. in advance of what they were for the corresponding period of last year. Many sales of a forced character have recently been made, and this will not tend to improve prices. The *St. John Telegraph*, a journal usually correct in all matters relating to the lumber business, in a recent number says:

"With regard to our lumber export trade, not much can be said of an encouraging character. Prices in England still rate low, and they have not been improved by one or two recent sales, which were rather of a forced character. We notice also that we are confronted in that market with U. S. deals, instead of being able to find a reasonably good lumber market on our own continent. We should hope, however, that if on the one hand a sudden improvement in the English markets for our staples in deals and ships is not to be expected, on the other, we need not fear that prices will recede to points lower than what they have already touched. Of course, care should be taken that the market be not over-stocked, a matter of great moment to the shippers of lumber. The chance of a "sudden improvement" is almost as probable as a sudden rise in American cottons, and under any circumstances almost an impossibility.

A few wiser heads among the dealers in this valuable product occasionally remonstrate with those who thus needlessly destroy our supply of this great staple, and who reply that there is enough to last their time; a shortsighted and selfish policy. In our last number we mentioned the fact that it would take 100 years to grow a tree to yield a standard log of 22 inches. To this may be added that the conditions of the soil prevent a successful second growth of the better class of this timber where it has once grown to maturity.

The importance of fostering this trade

will be understood when we recollect that in Canada alone from twenty to twenty-eight millions dollars worth of lumber per annum has been produced besides what was prepared for home consumption. Our cereals do not amount to more than one half of this sum. Each Province has benefited by it, and will continue to do so if we but take heed before it is altogether too late. It has helped largely to build our railroads and given them employment, it has paid dues, and kept almost an army of men employed in its manufacture. Let us take a glance at what will be our condition when it is all cut. Let us consider what the condition of the Southern States would be without cotton. But cotton differs in this important degree, that it can be reproduced every season. Where could Michigan, Wisconsin and Canada go for such supplies as they now produce annually? Suppose we say, to the Pacific Coast. The present tonnage of timber in Canada and the Northern States, less that for domestic use, is about 30,000,000 tons; the entire tonnage of the world is only about 18,000,000, that of Great Britain being only about 7,000,000 tons. At the end of fifteen years, at the present rate of manufacture, it would take fifty per cent. more than the entire tonnage of the world to float from the Pacific Coast a quantity equal to our annual production, and this without any reference to the possible growing demand on the part of the rapidly increasing population of both countries. The wants of the United Kingdom have rather increased than diminished notwithstanding the growing use of iron for many purposes for which timber only was formerly used.

Let the owners of timber lands in Canada not be induced by any outside rivalry to over production in this great specialty, but learn to produce only what is required to supply the possible demand, and instead of glutting the market and selling the manufactured article at eight dollars a thousand when the very logs are worth fully that price, let the trees grow and increase in value, for, as we mentioned in a former article on this subject, there is no article in the world's possession that in the course of the next decade must appreciate in value as much as its timber supply.

MR. HAMILTON MERRITT'S BIOGRAPHY [2.]

We resume our notice of the late Mr. Merritt at the period when the great work, with which his name will ever be connected, was being proceeded with, and when obstacles had to be encountered, which would probably have led most men to