

United States in the, to them, most irritating tone and text of the Dingley Bill, seemed likely to be practically resented by the passage of a law materially increasing the duty on yellow pine from fifteen to twenty-five per cent. As these increases are made not only by raising the tariff, but by raising the rate of assessment on the foreign goods received, it was quite possible for Argentina to make a discrimination even to the extent of forty per cent. without incurring the charge of open discrimination against a nation having the "most favored nation" clause in its treaty. No goods in any of these countries are received at a "per invoice" valuation, an arbitrary value being placed upon them and all goods of any specified class being assessed alike.

No country in South America offers a better opening for the lumbermen of Canada than is afforded by Argentina, its chief city, Buenos Ayres, having a population of nearly 700,000, while other principal cities are being built up very rapidly. Foreign decorations and woodwork of the most elaborate sort are popular in that country. These for a while were discouraged by the hard times, but since the good harvest just gathered, commercial conditions are better and likely to improve. The prospects of peace and of permanent and progressive government are also excellent. A large amount of British capital and the industry and hopefulness and aggressiveness of both the business men and the poorer classes, all point to Argentina as an exceedingly good market, which I am informed is to be looked after by a resident Canadian commercial agent, who will also have to do with the commercial affairs of Uruguay as they affect Canada.

CHILI.—By the kindness of the British Vice-Consul at Valparaiso, I received the following statement as compiled from the most recent returns showing the imports into Chili of timber during 1896:

IMPORTS OF TIMBER INTO CHILI DURING 1896.

Building Timber, Great Britain	500 sq. metres; value, £	28
" " United States	2,667,758 "	148 910
Dressed " "	175,772 "	11,117

This indicates that the whole trade was only in the neighborhood of \$800,000, Canadian money. There were no evidences of any direct importations from Canada, though I was informed by Mr. Compton, probably the largest dealer in the republic, that a certain amount of British Columbia lumber was received, though his business was altogether with San Francisco. This being the case, I was justified in my remark at the Vancouver Board of Trade that in Chili our lumber was unknown as such, i. e., as British Columbia lumber. Objection, however, was taken to it by a local dealer, who said he had sold British Columbia lumber on the Pacific coast. Our natural prominence in the lumber trade is only self-utilized in the finding of a market for occasional cargoes if they are not known as being composed of British Columbia lumber.

Chili has large forests of her own in the southern portions of the republic. In many respects they are fortunately situated, being, to a Canadian mind, not remote from rivers and seaports, but the methods of lumbering are so crude and the milling so rough and uneven that hitherto native lumber has not had the sale which it should have enjoyed.

The Chilean lumber is practically all hardwood, some of it being exceedingly fine and much resembling our maple. Other samples, darker in color, resemble walnut and cherry, and a very attractive substitute for oak is also found. The logs are large and mills are being built, and improved facilities for marketing these different varieties will soon change the complexion of the Chilean lumber trade. The protective spirit, which is exceedingly strong through all the South American republics, is demanding in Chili an increased tariff on foreign timber. Congress was in session while I was in Santiago, and a very great increase of the import duty on lumber and codfish was being discussed. The speech indicating proposed changes in the tariff had been delivered, and, as it happened, the duty on both codfish and lumber, two of Canada's principal exports, was likely to be nearly doubled. As before stated, the Minister of Finance assured Mr. Thompson, the Canadian commercial agent, and myself, that on our representations the particular duties would be left as they were.

The prospective change in Chili's lumber business threatens British Columbia lumber more than it does white pine, for while the republic has a substitute for the harder wood, the lighter material must always be brought from a foreign country. For this reason even a duty of 35 or

60 per cent. will be unable to exclude our product if offered there in proper shape and unencumbered with unnecessary expenses, such as are incurred by passing it through the hands of middlemen. Though the market is not a large one, its present condition is more favorable to Canada than to any other country. Chili, however, is not in an exceedingly prosperous condition, nearly all of her possibilities, except lumber, having been pretty thoroughly exploited. The low price of nitrate has made it very difficult for the nitrate companies in the north to export anything like the old-time quantities. As Chili's revenues are quite largely derived from export duties on nitrate, this has caused a serious embarrassment. Enormous expenditures—for a country of Chili's size, fabulous expenditures—on the navy have made her obligations very great, and the support of her forces on land and sea is very severe, and, some might say, an almost impossible task. The Chileans are a vigorous and aggressive people, seem to live well and to build for comfort and a considerable amount of show; and notwithstanding her financial difficulties created by over-expenditure, the country contains much wealth, is fairly well cultivated, and can be relied upon as a fairly good market.

PERU.—This republic, rising from its long period of depression caused by war with Chili and the much more recent but terribly sanguinary revolution, is showing many elements of prosperity. With singular if not simulated neighborliness, she seems to buy as much as possible from Chili, but her lumber business is a good one, for Canada especially. This is also true of Ecuador, her northerly neighbor, the chief seaport of which, Guayaquil, was recently destroyed by fire and is being rebuilt nearly altogether with wood, and very largely in the insecure and old time fashion. Ready-built houses on account of pressing necessity are admitted free.

The Pacific coast of Columbia is showing very little enterprise, and but a small amount of building is being done. What lumber is used is taken almost entirely from San Francisco, which acts as shipper for Puget Sound, from which, no doubt, much of the stock comes.

CENTRAL AMERICA.—The Pacific markets of these republics for lumber are nearly altogether in the hands of San Francisco people, and this is true of nearly everything. It also seems to me no difficult task for enterprising Canadians to enter and dispossess the present owners of the market, but this will never be while they rely to so large an extent upon the co-operation of Puget Sound and San Francisco merchants. In my opinion they rely too much on occasional orders received in this way, and on the imperfectly organized enterprise in the direction of shipping now and then a few unbroken cargoes. This may not be true of exports to countries with which I am acquainted, but in regard to Mexico, Central and South America, I think it can be said that they are preferring a small certainty to a much larger business which could be had by unity and concerted action confined to Canadian mill-owners.

BROKEN CARGOES.

One of the most positive indications of the necessity of Canada having a distributing point of her own for commerce such as reaches such ports as I am reviewing, is found in the fact that merchants and forwarders in Mexico, Central and South America, when ordering goods, very often ask that the cargo shall be completed with lumber of stated lengths and thicknesses, or in ordering part of a cargo of lumber, specify other articles that they desire to complete the shipments. These orders, of advantage to Canada, almost invariably go to New York, where everything can be produced on short notice. The orders for lumber sometimes reach Canada, but for other articles the warehouses of Brooklyn and New York are ordinarily sufficient for supply. In this way we are continually passed over and our reports of commerce are apparently such as not to encourage the belief that we can fully provide everything that is desired. Next to personal solicitation for orders to be made on behalf of our merchants and exporters, stands the necessity of forcing buyers to the world's market to understand that we are sellers, producers and forwarders.

After writing the foregoing portion of this report, I mentioned to a gentleman well acquainted with Canada's output of lumber that in the year 1896 we appeared to have sent only about \$410,000 worth to Argentina. He stated that these figures must be incorrect, as he was cognizant of that amount, and perhaps nearly twice that amount of lumber, going to Argentina from the Ottawa Valley alone. He stated that this lumber had nearly all

been shipped in cargo lots to Boston, where it was embarked for the south. He also stated that a special cut of lumber, 12 inches by 14 to 16 feet, made from small logs milled in the Ottawa Valley, was a great favorite in Argentina, inasmuch as the knots were of a small size, and when the board became dry and the knot fell out a large hole was not left in the board. I had to do with a dispute over what was pretended was a cargo of this Canada lumber at Buenos Ayres, and at once recognized the description. The cargo was rejected because it did not come up to the specifications, and was classed as "Michigan Lumber." Every year a large exportation of the same brand of lumber has been going on, and Canada has appeared to sell at least a portion of this material to the United States. My informant stated that the company interested in this trade were beginning to look about them for a means of direct exportation from Canada, as in many respects the present system was becoming unsatisfactory. The greatest difficulty he apprehended would be in finding return cargoes to Canadian ports.

This question of return cargoes was unexpectedly, though perhaps but partially, answered almost at once, when one of the largest manufacturers of woolen goods in the Dominion complained to me that the immense amount of wool the firm imported, much of it from South America, particularly the variety known as Chilean wool, came filtering into Canada from sources which added unduly to its cost. He was anxious to be placed in communication with shippers who would be likely to bring him his freights direct. A dealer in hides has asked me for the same assistance, and it seems easily within the realm of possibility that if Canadian exporters and importers having to do with South America got together, the situation would be simplified or solved, freights cheapened and our export and import lists straightened so as to show who are the customers of Canadian products, and of whom Canada is a customer. Such a movement would be a patriotic one and increase an hundred-fold the opportunities for Canadian trade with South America.

PERSONAL.

Mr. Eli Claude, for ten years bush foreman for Messrs. Buell & Hurdman, of Hull, died in Ottawa recently.

Mr. J. A. Christie, of the Assiniboine Lumber Co., Brandon, Man., was a recent visitor to Ottawa and other eastern points.

Mr. T. R. Case, an extensive lumber operator of Laclede Rapids, Minnesota, was recently in Ottawa on government business.

The marriage is announced of Mr. Donald Fraser, jr., of the well-known lumber firm of Donald Fraser & Sons, Fredericton, N.B., and Miss Tenant.

Mr. Andrew McCormick, the veteran lumberman of Ottawa, Ont., returned a fortnight ago from an extended visit to Bermuda, where he went to improve his health.

The death occurred at Ottawa recently of Mr. A. M. Burgess, Commissioner of Crown Lands for the Dominion and ex-Deputy Minister of Interior. He was 48 years of age.

Mr. John Donogh, of the Swan-Donogh Lumber Co., North Tonawanda, N.Y., was recently indisposed through illness at the residence of a friend in Toronto. A fortnight ago he was sufficiently recovered to return home.

From Pembroke, Ont., comes the news of the death of Mr. Hugh Grant, for many years manager for Hamilton Bros., and latterly of the Hawkesbury Lumber Co.'s business at Rowanton, Que. Deceased was in his 69th year, and was well known to the lumbering community.

The wholesale lumber firm of D. L. White & Co., of Albany, N.Y., has secured the services of Mr. Guy Buell, of Ottawa, who for the past two years has been connected with the firm of R. H. Klock & Co. In his new field Mr. Buell will have full charge of the Ottawa and Michigan business of D. L. White & Co.

Mr. Frank Maundrell, of the lumber firm of Leshman, Maundrell & Co., Woodstock, Ont., has returned from a business trip to Great Britain. Mr. Maundrell opened a branch agency of his firm in Glasgow, and expects to secure considerable foreign business. He also succeeded in selling the English rights to manufacture an acetylene generator of which he is the patentee.

We are pleased to learn that Mr. Carl Zidler, of Toronto, has secured the appointment of European agent for Messrs. Geo. T. Houston & Co., of Chicago, the well-known exporters of hardwood lumber. Mr. Zidler expects to leave some time this month for the European continent, visiting the markets of France, Germany and England, and will no doubt return with many orders as the fruits of his trip. Messrs. Houston & Co. make a specialty of quarter-cut oak, and also handle many hardwoods which are not found in Canada, such as gumwood, cottonwood, cypress, hickory and satinwood.

Remember the lumbermen's meeting in Toronto, April 7th. The hardwood trade should be well represented.