

THE Canada Lumberman

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ADVERTISING RATES ON APPLICATION.

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.

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

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.

THE STURGEON FALLS ARBITRATION.

The dispute between the Edward Lloyd Company, of London, England, and the Sturgeon Falls Pulp Company, which has been going on for many months, has been finally settled in a manner that is eminently satisfactory to Canadians. The controversy arose over the sale of certain timber limits, a water power and uncompleted pulp and paper mills by the Sturgeon Falls Pulp Company to the Lloyd Company. A portion of the purchase price was paid by the Lloyd Company, but before their financial obligations were finally fulfilled, a protest was entered to the effect that the water power was inadequate for the operation of the mills and that there was a less quantity of timber on the limits than had been represented by the Sturgeon Falls Company. Proceedings were taken to have the matter settled by arbitration, resulting in a series of hearings. It is understood that a partial exploration was made to ascertain the quantity of the timber on the limits.

The terms of the settlement, published in another column, were arrived at by agreement between the contesting parties. The Lloyds agree to convey to the Sturgeon Falls Pulp Company all the property purchased, and to pay in damages \$500,000 and in costs about \$35,000 more. They further agree, inasmuch as the controversy may have injured the credit of the pulp company in England, to guarantee the payment of an issue of bonds by the pulp company. The Lloyds, it is understood, have formally retracted the allegations of bad faith made against the Sturgeon Falls Company.

While the dispute was in progress, the impression arose in England that the Lloyd Company had in a sense been swindled. Thus English capitalists held aloof from investing in

Canada until the matter was disposed of. The settlement, it will be seen, completely exonerates the Canadian company. The effect of such a satisfactory and clearly-defined settlement can scarcely be overestimated. It will doubtless assure British capitalists that they may rely upon the business honesty of Canadians, and may reckon upon fair treatment in business transactions generally.

GRADING OF OTTAWA PINE.

On more than one occasion the Timber Trades Journal, of London, England, has attached the present method of grading pine as adopted by the Ottawa valley manufacturers and shippers. In a recent issue, under the heading of "The New Ottawa Classification," that journal says in part:

"The Quebec shippers appear to have made a serious blunder in trying to impose upon the buyers in this country the new Ottawa classification for pine. This innovation has been the cause of considerable inconvenience and trouble to the selling agents, and we have heard from important pine buyers that next season they will absolutely refuse to buy on this new assortment. We would remind our Canadian friends that the danger of habitual users of pine in this country seeking substitutes is very likely to occur."

We can scarcely think that the views of the writer in the Timber Trades Journal, as expressed above, are those of the timber trade of Great Britain; in fact, we think that the statements have been made on very scant or unreliable information. Even the title of the article is misleading, while the reference to an "innovation" is very far from the facts.

The efforts of the Ottawa valley lumbermen have been directed towards regaining the old classification as established by the Quebec Supervisor of Cullers. It is well-known by the trade in this country, and no doubt abroad, that previous to the year 1899 the lumber trade of Canada was in an utterly depressed condition. The result was that during these years the standard of grading was made unreasonably high. This was in part due to the fact that the English buyer took advantage of the existing conditions and influenced the grading to his own benefit, by constantly urging upon the seller the necessity of furnishing good grades and by the presence of his own inspectors when shipping. From year to year the grading became better, until the standard was ultimately so high as to leave little profit for the seller.

This condition of things could not be expected to continue. The year 1899 brought a return of prosperity to the lumber trade, and with it a natural desire on the part of our manufacturers and shippers to reap their just proportion of profit. An agreement was reached by the Ottawa valley manufacturers to form an association for the purpose of correcting innovations which had crept in at some of the mills in the matter of culling, and also for the purpose of making the culling as uniform as possible at all the mills. It was decided to adhere as closely as possible to the original standard of grades as laid down in the Act to regulate the culling of deals. This is the only aim which the Ottawa deal manufacturers have had in view.

The cause of complaint from England comes through the sharp contrast between a culling which had grown to be outrageously unfair to shippers, and the culling as laid down by the Supervisor of Cullers. The present grades are equal to, if not better than, those called for in the Act. This, we think, is generally understood by the trade in England, and even the statements in the journal referred to would scarcely have been suggested but for the fact that the demand for lumber this season has been rather backward.

THE BRITISH COLUMBIA TIMBER POLICY.

The Legislature of British Columbia, following in the footsteps of the Ontario Government, passed an Act at its last session prohibiting the export of cedar timber from the province. Upon certain representations being made as to the unfairness of enforcing the law at once, an extension of time was granted until the spring of 1902. In the meantime every opportunity is being seized by interested parties to bring about the abolition of the Act, and it is even stated that such a decision has already been reached by the government. In this case no doubt the wish is father to the thought, as such a statement is quite premature, and it is doubtful if such a step is even under consideration by the legislature.

The two interested factors are what is known as loggers on the one side, and the lumber and shingle manufacturers on the other. The former are engaged in taking logs and selling them to manufacturers, the buyers being chiefly Puget Sound mills. Most of the British Columbia manufacturers operate their own camps, and are not, therefore, large customers of the loggers. The government very wisely considered the interests of the manufacturer in preference to those of the logger when placing on the statute book the law prohibiting the export of cedar.

It is evident that the business of the logger will be injured by the legislation, but on the other hand the more important industry of the manufacture of lumber and shingles will no longer be perpetuated. As to the advantages of the two industries little need be said. The logger expends a small sum for the cutting of the timber and exports it to a foreign country to be manufactured. The mill-man expends an equal sum in cutting the timber, and a much greater sum in manufacturing it into lumber, shingles, and other more finished products.

If the lumber industry of British Columbia is to prosper, a reasonable measure of protection must be given by the Government. The industry now suffers by unfair competition from United States manufacturers, who are permitted to ship into the Canadian market free of duty.

The success which has followed the Ottawa timber policy should encourage the Government of British Columbia to enforce next spring the proposed export law. The situation in the two provinces is peculiarly similar, and there can be little doubt that the results would be satisfactory in British Columbia as in Ontario.