

THE LUMBER TRADE IN 1895.

Review of Operations throughout the Dominion.

GENERAL SURVEY.

LATE in the season of 1894 the Wilson tariff bill passed the United States congress, by which lumber, among other commodities, was placed on the schedule of free imports entering that country. The tariff was viewed with favor by Canadian lumbermen, and the year 1895 was ushered in with bright anticipations of improved conditions. A retrospective glance over the past year proves that these expectations were only partially realized. While the volume of trade done in 1895 was equal to or slightly in excess of that of the previous year, the margin of profit was smaller, and few dealers are to be found who succeeded in materially increasing their bank accounts. During the first six months of the year trade was extremely limited, but operators were hopeful, and during the latter portion of the year they experienced a much better demand. Several causes may be mentioned as operating to retard the progress of the past year and to reduce the profits accruing to lumbermen. The benefit to be derived by Canada from free lumber was scarcely felt, owing to the prevailing financial and commercial conditions in the United States. These conditions restricted trade generally, and consequently limited the demand for lumber. The dispute with the United States authorities regarding the definition of dressed lumber, and which as our readers know, resulted in the imposition of a duty of 25 per cent. ad valorem on a large portion of that class of lumber, proved a heavy blow to a number of our planing mill men, many of whom formerly shipped largely to the United States. Another reason is to be found in the decline in demand from foreign markets. While trade with some foreign countries improved slightly, exports to South America were considerably less than was anticipated.

The western provinces of the Dominion were, perhaps, the greatest sufferers during the past season, as, owing to the increased demand for spruce for pulp wood both at home and abroad, the maritime provinces succeeded in holding their own. The shipments from New Brunswick, Nova Scotia and Quebec compare favorably with those of 1894. From the port of Montreal, as shown by the Harbor Master's report, there were shipped to the United Kingdom and continental ports 168,672,028 feet board measure, and to River Plate 8,744,000 feet, making a total of 177,416,028 feet. This shows a decrease of 10,725,397 feet. During the year the situation in British Columbia and Manitoba improved slightly, and future prospects are good. From statistics received from mill men throughout the Dominion, we learn that the volume of trade done last year was about equal to that of 1894, but the amount of stocks on hand was too large for the demand. The stocks of lumber being carried over are heavier than those of the previous season. The greatest drag upon the market is shingles.

The year 1896 opens with prospects of an improvement in trade, notwithstanding the fact that the re-imposition of an import duty on lumber entering the United States is among the possibilities. With a hearty revival in trade the proposed duty of 60 cents would have but little bearing. To counteract the effect of this duty, should it become law, the opinion is held by many that an export duty on logs should be imposed by the Dominion Government. Our views on this question are given elsewhere. Our lumbermen are gradually finding new fields for their product, one of which may be mentioned as Germany, and viewing the situation from all sides, we predict for 1896 a year of prosperity and satisfactory monetary returns.

ONTARIO.

In Ontario, perhaps, more than in any other province, trade failed to show any decided

improvement in 1895. The effect of free lumber was to increase the output of logs during the season of 1894-95. Much of the lumber manufactured is, unfortunately, yet at the mills. The United States market, which is the greatest consumer of Canadian hardwoods, has been dull. Competition has also been keen from the Michigan and Minnesota mills.

To dealers in white pine the year just closed has been unprofitable, sales of importance being comparatively few. In the Georgian Bay district the stocks being carried over are heavy, and some of the mill men have a large portion of last year's cut still on their hands. One company inform us that they are carrying over 7,000,000 ft. Very little work in the woods is being done. In the Ottawa district the past season has proved more satisfactory to operators. The output there has been increased by the operations of the St. Anthony Lumber Co. at Whitney. The firm of Gilmour & Hughson closed operations earlier last fall than usual, consequently their cut will show a shortage. Many of the Ottawa lumbermen have closed contracts for their next season's cut, which is an encouraging feature.

The replies from mill men throughout Ontario indicate that the cut of lumber for the past two years has been about equal, but fewer shingles have been manufactured. Profits were smaller in 1895 than in the previous year, notwithstanding the fact that lumber was allowed to enter the United States free of duty. The enquiry, "Is trade with the United States increasing?" brought forth a negative reply from 65 per cent. of the mill men who responded to our solicitations. The same question regarding other countries received a corresponding reply, only in a more pronounced tone. Over 80 per cent. are in favor of free trade in lumber with the United States. In nearly every case the question regarding the volume of work in the woods this winter showed that the output of logs is likely to be greatly curtailed; at some points it is being reduced as much as 50 per cent. This will, eventually, prove beneficial to the trade. The season so far has been unsatisfactory for logging operations in Ontario, some operators having been obliged to withdraw their men from the woods.

The total output of lumber from the various mills on the Ottawa valley last year is estimated at 627,000,000 feet, being nearly one million feet in excess of that of the previous year. The amount is made up as follows:

	Feet.
J. R. Booth, Ottawa	100,000,000
Bronson & Weston, Ottawa	75,000,000
W. Mason & Son, Ottawa	15,000,000
Shepard & Morse, Ottawa	25,000,000
Buell, Hurdman & Co., Hull	50,000,000
Gilmour & Hughson, Hull	20,000,000
Carswell & Francis, Renfrew	10,000,000
Martin Russell, Renfrew	2,000,000
John Mackay, Renfrew	1,500,000
A. & P. White, Pembroke	5,000,000
Pembroke Lumber Co., Pembroke	15,000,000
R. W. Conroy, Aylmer	15,000,000
A. Lindsay, Aylmer	3,000,000
J. R. & J. J. Allies, Arnprior	5,000,000
McLachlan Bros., Arnprior	55,000,000
W. C. Edwards, Rockland	45,000,000
Gillies Br., Branside	30,000,000
R. H. Klee, 's Mills	3,000,000
St. Anthony Co., Whitney	20,000,000
Gilmour & Hughson, Ironsides	20,000,000
A. Hagar & Co., Plantagenet	5,000,000
Ottawa Lumber Co., Calumet	10,000,000
McLaren Estate	15,000,000
Ross Bros.	10,000,000
Canada Lumber Co., Carleton Place	20,000,000
Hawkesbury Lumber Co.	57,000,000
Total	627,000,000

The following statement shows the declared exports from the consular district of Ottawa, Ont., to the United States, during the four quarters of the year ending December 31, 1895.

ARTICLE.	Qr ending March 31.	Qr ending June 30.	Qr ending Sept. 30.	Qr ending Dec. 31.
Barik				
Lath and Shingles	6,477.70	28,102.29	24,908.55	4,215.84
Logs and Timber		150.95	1,587.76	1,717.25
Lumber	351,751.30	585,124.47	625,746.15	597,903.64
" in bond for export	3,535.69	17,234.95	35,341.07	47,046.93
Match Blocks	1,430.20			
Pulp, Sulphite	17,570.57	18,239.39	14,478.04	19,309.10
Pickets		3,690.73	3,406.72	6,254.64
Railroad Ties	450.00	5,950.10	3,307.30	4,838.40

The opinion prevails in Ontario that an improvement in trade will take place as spring approaches. Dealers are finding new markets for the best grades of hardwood lumber, which will result in less dependence being placed on the American market, but they must look to the United States, the nearest market, for the disposal of the greater portion of their coarse lumber.

QUEBEC.

The volume of business in the Province of Quebec during the past year has shown no improvement, but there is every indication of more activity during 1896. Judging from present indications a larger quantity of lumber will be manufactured, provided there is sufficient snow to permit of logging operations, from the lack of which, up to the present time, the trade has suffered. Should the American Government not impose an import duty on lumber, trade with the United States will no doubt greatly increase, and better prices are anticipated. South America is also affording a market for large quantities of Quebec spruce and other lumber, which is realizing a fair figure. The latest advices from England show a decided improvement; prices have advanced and stocks are decreasing. On the opening of navigation the demand for all sorts of lumber will advance considerably. In view of these facts, the outlook for 1896 is considered favorable.

The following particulars of the operations during 1895, are furnished by J. Bell Forsyth & Co.'s annual trade circular, which is recognized as a high authority on lumber matters in that province:

The general advance in value of all articles of produce and staple merchandise has at length affected wood goods in the markets of the United Kingdom, and the prospects are decidedly more hopeful in the United States.

A strike in connection with the shipbuilding trade of Belfast has unhappily spread to the Clyde, but now seems certain of early adjustment and settlement; and there is every prospect of a sufficiency of orders for the construction of steamers being shortly placed with the shipbuilders of the United Kingdom to keep yards busy for a long time to come.

The increased production of gold, consequent on the development of mines in South Africa, British Columbia and elsewhere, has given an impetus to trade like that which followed similar discoveries in California and Australia, and will certainly result in several years of good business prosperity.

WHITE PINE.—The supply shows little change as compared with last year, the increase in waney pine being counterbalanced by the diminution in the production of square wood. There is absolutely nothing wintering above Quebec—a most unusual position.

The wintering stock is very bare of first-class waney of the smaller averages, and square pine suitable for deck plank purposes.

	Supply.	Export.	Stock.
1895 { Square.. 273,771 }		2,838,080	{ 1,090,892 Square
Waney.. 3,086,469 }			{ 2,254,717 Waney
1894 { Square.. 838,246 }		3,468,600	{ 1,656,993 Square
Waney.. 2,288,663 }			{ 1,610,571 Waney

RED PINE—Seems to be neglected, being unable to compete in the markets of the United Kingdom with pitch pine from the Southern States. Fresh good wood is scarce. It is well to note that a marked advance has been established in the value of pitch pine on the other side of the Atlantic.

	Supply.	Export.	Stock.
1895.....	108,661	326,080	154,120
1894.....	59,835	146,120	282,084

OAK.—The supply has again been in excess of the export, but there is an active demand in Great Britain, which, with somewhat reduced prices on this side, may improve the tone of the market.

	Supply.	Export.	Stock.
1895.....	1,006,139	869,560	790,486
1893.....	1,276,869	937,840	699,205