

THE Canada Lumberman

MONTHLY AND WEEKLY EDITIONS

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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 market 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.

LUMBER GRADING.

The remarkable activity in the lumber business of late has served to accentuate the necessity of uniform grading. It is well-known that when business is good and prices high the grades are usually lowered, this being the case in some degree even where lawful inspection is in vogue. Where every manufacturer makes his own grades, and they are not subjected to the scrutiny of an official inspector, the opportunity is most favorable for raising or lowering the grades according as the demand is strong or otherwise. In times such as the present, when lumber is difficult to find, the limit to which this elastic process may be carried is a very wide one. A person in need of lumber will hesitate to return a shipment even if it is deficient in quality unless he is reasonably sure that he can obtain his requirements from another source.

Buyers encountered undergrading quite frequently during the past year. The activity in the trade often made it advisable to purchase stock without first making an inspection, and as a result instances of disappointment were quite common. The consequent loss usually fell upon the dealer, as the consumer, requiring a certain grade of lumber for a specific purpose, would refuse to accept the grading or was given a discount in lieu thereof. Where the manufacturer deals directly with the consumer he is generally closely in touch with his requirements and regulates his grading accordingly.

It is singular that no concerted effort has

yet been taken by the lumbermen of Canada to establish standard inspection rules which would remedy the existing unsatisfactory conditions and assist to give the business a prestige in keeping with its importance. Visiting lumbermen from other countries invariably express surprise that they are not able to obtain more definite information as to the grading of Canadian lumber. Perhaps the Ontario Lumbermen's Association, at its forthcoming meeting, will take the initiative.

COST OF PRODUCING WOOD-WORK.

The inventory taken at the close of 1902 by the producers of wood-work for house finish and general building purposes should have shown a very substantial margin of profit on the year's business, as the volume of building was large and factories were operated continuously. That such was the case, however, is to be doubted, inasmuch as prices of wood-work have not advanced in proportion to the increased cost of the raw material. When about four years ago the price of lumber commenced to advance, it was anticipated that there would be a corresponding rise in the price of sashes, doors and other finished goods. Contrary to expectations, there seemed to be a disposition on the part of manufacturers to adhere to the old lists, and it was with difficulty that even a slight advance was attained. Proposals in the same direction have ever since been received coolly and without unanimity, so that the business of manufacturing wood-work is to-day less profitable than it should be.

In Toronto, and doubtless similar conditions prevail elsewhere, dealers in lumber have found great difficulty in selling to the sash and door manufacturers at a profit, the obstacle being the low price at which the finished goods are being sold. It has seemed to be the object of the trade to endeavor to sell their products as low as possible, with little regard to the increased cost of production so long as there was a margin of profit on the year's business. While manufacturers in most other branches of industry have benefitted by the recent prosperity, and have strengthened their position so as to withstand the reverses of possible years of depression, the producers of wood-work have pursued a policy of management tending to ultimately bring disaster.

Within the last three years the selling price of finished wood-work has advanced perhaps fifteen per cent. This compares with an advance ranging from twenty-five to fifty per cent. in the cost of the raw material. Lumber which three years ago could be bought for fourteen dollars to-day brings twenty dollars; machinery and labor are much higher in cost; while the value of pine timber stumpage has increased nearly fifty per cent. In the face of these conditions it seems singular that the manufacturers of wood-work do not come together and agree upon a price basis by which they would share to a reasonable extent in the prevailing prosperity.

These remarks express the sentiment of many persons engaged in the lumber trade, and of some manufacturers of wood-work. It

is to be hoped that this sentiment, which is gradually growing, will soon become sufficiently strong to remedy the unsatisfactory conditions.

FIRE INSURANCE RATES.

The dissatisfaction in lumber circles with fire insurance rates on saw mills and allied risks still exists. The present method of rating is very unpopular and is claimed to be unjust, in that it does not allow the policy holder due benefit from precautions taken to render his property free from danger of fire. The lumber mutual insurance companies of the United States give special attention to fixing a rate in proportion to the risk involved in each individual case, and on this ground seem to offer more reasonable terms. By such a system every policy holder makes the rate for himself in the precautions he adopts to protect his property. Another advantage in this method is the resultant smaller number of fires, as it is well known that in the event of fire the loss is not alone in the actual damage, but in the inconvenience and loss of articles, documents, etc., which sometimes cannot be replaced.

The manufacturers of British Columbia have taken a wise step in their purpose to investigate the causes of fires in dry kilns. It is intended to build a sample kiln and make exhaustive tests, the results of which will be awaited with interest. In connection with insurance rates it would appear that certain Canadian companies have found it cheaper to carry their own insurance. The Montreal Street Railway Company, for instance, have, after a thorough investigation, adopted this policy, and at the last annual meeting set aside the sum of \$100,000 for the purpose. It may be that the lumber fraternity will find it advisable to adopt a similar course unless more equitable and reasonable rates are given by the insurance companies.

EDITORIAL NOTES.

The facts presented in last issue relating to the export of British Columbia shingles to the United States are a strong commendation of the manufacturing methods of Canadian millmen. There is unanimity in the statements as to the better quality of the Canadian red cedar shingle which would seem to substantiate the claim beyond all doubt. In the British Columbia mills upright machines are used exclusively. These operate comparatively slowly, and turn out a product second to none. In the United States it seems that quality has been sacrificed to quantity, with the result that the Canadian shingle commands from 25 to 50 cents per thousand more than the home product in that market.

Some time ago there was a great splurge of advertising by the Atlantic Pulp and Paper Company, a \$3,000,000 corporation of Canada that had some stock to sell. The public did not show any enthusiasm in the matter, and now the newspapers that carried the "ads" are entering up judgments for the amounts of their bills, plus court costs, etc.—Paper Trade Journal.

Our contemporary has only told half the truth. The so-called "\$3,000,000 corporation of Canada" was a United States concern, incorporated in the State of New Jersey by A. L. Meyer, B. P. Moore and F. G. Smith, all of New York city. The fate of the company would probably have been different if it had been backed by Canadian capitalists.