

Madison's Lumber Retrospective

A 60-year walk down
forestry's Memory Lane

118 RICHARDS STREET - VANCOUVER 2, B.C. - PACIFIC 6838

AN INDEPENDENT MARKET SURVEY COVERING FIR, HEMLOCK, CEDAR, WESTERN WHITE SPRUCE

Friday, October 13, 1961.

On November 1, all lumber and logging operations of AllFir Lumber Co. Ltd., and H.J. Gardner & Sons, at Williams Lake, B.C. will merge with R.D. Merrill interests who have been connected with the lumber industry in the Pacific Northwest since 1890. New company will be Merrill Gardner Ltd.

Friday, October 20, 1961.

Net income of Crown Zellerbach Canada Ltd. for first nine months of this year was \$7.4 million, up 4.7% from the \$6.8 million for comparative period of 1960.

MADISON'S CANADIAN LUMBER REPORTER

Nov. 3, 1961.

Net income of MacMillan Bloedel & Powell River for third quarter of this year was \$7,554,829 on sales of \$79 million, compared with \$5,668,113 net on sales of \$75,265,600 for third quarter of 1960.

An area roughly 200 miles long by 15 miles wide containing an estimated one and a half billion board feet of merchantable White Spruce, Cottonwood and Lodgepole Pine will be auctioned off as "salvage timber" to clear the site for the proposed Peace River power reservoir, north of Prince George.

During the next three years, the Forestry Department will build a \$1 million access road into the area to expedite removal of timber. It is expected to take 10 years to remove all the timber from the project.

Friday, November 10, 1961.

Timber Trades Federation of United Kingdom reports new orders to B.C. mills during September totalled 24,026,000 board feet, a decline of some nine million feet from 33,416,000 for September 1960.

MADISON'S CANADIAN LUMBER REPORTER

Dec. 1, 1961.

J. R. Nicholson, president of the Council of Forest Industries of B.C. has resigned, after reports of a difference of opinion among top industry officials.

Friday, January 5, 1962.

Approximately 30 million board feet of White Spruce, Lodgepole Pine will be auctioned off at Fort St. James, by B.C. Forestry department on January 12. This is the first of a series of auctions from the proposed Peace River power development reservoir.

The long awaited Russian lumber offer to United Kingdom timber buyers was made in December. It heralded the opening of European lumber buying for 1962. It is not known how well the Russian offer of 300 million to U.K.; 54 million to West Germany and 80 million feet to Holland was accepted by buyers.

NUMBER OF LUMBER CARS LOADED FROM MILLS IN P.G.E. AREA EACH MONTH

	Jan	Feb	March	April	May	June	July	Aug	Sept	Oct	Nov	Dec	Total
1960:	2364	2791	2853	1947	2462	2808	2648	2804	2333	2076	1885	1783	26718
1961:	2222	2048	2782	2073	2317	3033	3001	3131	2571	2272	2291	1659	29400

June 15, 1962.

MADISON'S CANADIAN LUMBER REPORTER

White Spruce manufacturers in British Columbia who have survived more than their share of market vicissitudes over the past decade, faced another body blow this week. As of June 1st (but not announced until June 6) the F.H.A. decreed that White Spruce structural lumber from B.C. would be classed as Engelmann Spruce which has a shorter span for home construction. By some obscure method of reasoning F.H.A. also decreed that White Spruce produced in Alberta and Saskatchewan will be classified as Eastern Spruce and will take the same span tables as White Fir.

Apparently this is another form of appeasement to the manufacturers in the U.S. Pacific Northwest who are loudly complaining about B.C. lumber entering into the U.S.

Friday, June 22, 1962.

Settlement of B.C. wage dispute between IWA and Coast manufacturers was announced this week. Contract is for two years, with an eight cent raise each year. Workers will also get an extra week's vacation after 20 years service. They now get three weeks after five years. The IWA wage dispute with Coast operators in Washington and Oregon continues.

Friday, June 29, 1962.

In Prince George, the Northern Interior Lumbermen's Association is preparing statistical data to be presented to F.H.A. officials in Washington D.C. by a delegation from the association in protest over the down grading of White Spruce to Engelmann spans. So far the reaction from Spruce buyers in the U.S. to the new F.H.A. ruling has been slight

Friday, July 27, 1962.

In Prince George the IWA membership has accepted a conciliation offer of 10¢ an hour pay boost over two years, plus a health and welfare plan. New contract for 2500 members is a six cent an hour increase August 31 and four cents more on August 31, 1963 bringing the basic rate to \$1.89 an hour.

Net profit of MacMillan, Bloedel & Powell River Ltd. for first half of this year was \$18,575,687 equal to 89¢ a share on gross revenues of \$161,003,478 compared with net profit of \$12,151,225 equal to 58¢ a share on gross revenue of \$143,766,970 for same period 1961.

Friday, August 3, 1962.

The lumber industry across Canada is watching for further developments following last week's announcement by President Kennedy, that this country should impose voluntary export quotas on lumber shipments to U.S. Council of Forest Industries of B.C. is preparing a comprehensive brief to Ottawa protesting any quota restriction.

Friday, August 10, 1962.

"Strong action should be taken immediately by B.C. lumber associations, in the form of a crash program to stop this idea" suggested Bruce Harris, Pittsburgh, who has lumber interests in B.C. and Alaska.

Talks between Canada and U.S. on the proposed lumber import quota are due to start in Ottawa August 27 according to Prime Minister Diefenbaker. He indicated that Canada will take a strong stand against a lumber import quota. The prime minister said Canada is selling lumber in the U.S. because Canadian producers are competitive.

Friday, September 14, 1962.

Crestbrook Timber Ltd. at Cranbrook, B.C. reported net earnings for the first six months of this year at \$164,207 or 32.8 cents a share, compared with \$63,867 or 12.5 cents a share for first half of 1961. President C.I. Hall said the earnings for the first six months were higher than for the whole of 1961 when \$111,641 or 22.2 cents a share were earned. Increase in profits resulted from bigger volume of shipments, higher premium on U.S. dollar and tight control of operating costs.

Friday, April 19, 1962.

MacMillan, Bloedel & Powell River Limited net earnings for first three months of this year were \$8,722,722 or 42¢ a share compared with \$5,579,912 or 27¢ a share for first quarter of 1961. Four directors were dismissed from the board of directors at company's annual meeting in Vancouver Wednesday.

Harold H. Foley, who retired as vice chairman of MacMillan, Bloedel and Powell River Ltd., after a dispute with Chairman Mr. Clyne, revealed in Vancouver this week, that he had turned down an offer from the St. Regis Paper Company of New York, to sell his shares in MB&PR at a price in excess of the existing market. The same offer made to a number of other shareholders was also refused.

West Coast Lumber Manufacturers Association, Portland, Oregon, appearing before the senate commerce committee in Washington, D.C. requested that a quota of 10% of U.S. domestic consumption of softwood lumber be set for the current year on imports from Canada.

Friday, May 4, 1962.

Canadian Forest Products Ltd., the largest private forest products company in B.C. reports it will build a 500 ton a day pulp mill in Prince George at a cost of \$50 million. Cooper Widman Ltd., a large wholesale lumber company in B.C. announced last March they will build a 150 ton a day pulp mill in Prince George at a cost of \$7 million.

Dr. G. Neil Perry, of University of British Columbia has been named industrial inquiry commissioner in the contract dispute between IWA and Forest Industrial Relations.

MADISON'S CANADIAN LUMBER REPORTER

June 1st, 1962.

U.S. Secretary of State Dean Rusk, is appointed by Washington D.C. to study the implications of cargo lumber from B.C. arriving in the U.S. The appointment follows months of complaints by Washington and Oregon manufacturers that Canada now sells 70% of the lumber to U.S. East Coast buyers, compared with 30% some 16 months ago. Manufacturers on U.S. West Coast claim they are depressed because tramp charters are low and B.C. shippers can take advantage of these freight rates. U.S. manufacturers are barred by the Jones Act which states only a ship of U.S. registry can load and discharge at an American port.

Friday, June 8th, 1962.

Elimination of free hold time, after July 10, by Canadian railroads will cut transit shipments 50% in opinion of some B.C. wholesalers now active in this type of operation. The cutoff date is contingent on U.S. railroads eliminating circuitous routings. Some transit wholesalers in B.C., Washington and Oregon consider the new ruling is a gesture to U.S. mills who are complaining of heavy B.C. cargo shipments and now asking for immediate establishment of emergency lumber quotas.

In Portland, Oregon, IWA report that 70% of their 18,000 members are in favor of strike action over the current wage dispute with U.S. west coast manufacturers. A.F. Hartung, president of IWA said he opposes quota restrictions on Canadian lumber shipments into the U.S. He favors reduction of lumber tariffs by both countries.

Friday, June 15, 1962.

A Canadian delegation from Ottawa arrived in Washington, D.C. today, and charged that the new F.H.A. ruling classifying B.C. White Spruce dimension as Engelmann Spruce is a discriminative restraint of trade under GATT. The Canadian group, headed by top officials from Department of Trade and Commerce says the General Agreement of Tariff and Trade between Canada and U.S. specifically prohibits either country from imposing trade restrictions without dual consent. This has been done in the case of B.C. White Spruce through FHA Bulletin #1891 effective June 1.

Hillcrest Lumber Company, at Mesachie Lake, on Vancouver Island shut down today over a dispute concerning transportation of employees. Company director, Peter Stone, said the mill has no immediate plans to reopen.

Crown Zellerbach Canada Ltd., reports a record net profit of \$9.4 million for 1961. This is up eight percent from \$8.7 million in 1960. G.H. Gallaway, President, said sales totalled \$109 million - a drop of one percent from \$110 million in 1960. Devaluation of the Canadian dollar was responsible for the increase in net income in 1961.

Friday, February 2, 1962.

IWA will seek a 20¢ an hour pay increase from B.C. Coast manufacturers, when current contract expires June 15.

Friday, February 9, 1962.

Oregon's Governor Mark Hatfield suggested that B.C. develop a self imposed quota of lumber to U.S. Lumbermen in Washington and Oregon have complained about the loss of markets in Eastern U.S. to Canadian lumber interest.

B.C. lumber shipments to Japan during 1961 zoomed from 1.6 million feet in 1960 to 155.5 million in 1961, making that country the third biggest world importer of B.C. lumber. Japan also purchased nearly 118 million feet from West Coast of United States.

Friday, February 23, 1962.

J. H. Jenkins, chairman, Canadian Standards Association, Ottawa, Ontario, has protested to Neil A. Connor, F.H.A. administrator regarding the span restrictions on White Spruce from B.C., now classed as Engelmann for stress under F.H.A. building codes.

It is interesting to note that although production conditions in northern B.C. have been very detrimental to Spruce manufacture for the past two months, the Prince George Forest District shows the Prince George area cut for December was up approximately 11,000,000 feet over December of 1960.

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March 9, 1962.

Canadian Collieries Resources has made a bid for the assets of Keeley Lumber Co. Ltd., Empire Mills, Mount Baker Plywoods and other associated sawmills. Acceptance of the offer will not be known for about a week. Mount Baker plywood, a separate public company is acting with Keeley interests in the negotiation.

Friday, March 16, 1962.

The Federal Government cancelled a timber sale this week after charges of collusion with a civil servant were made by a Liberal M.P. in the House of Commons. For a payment of \$792,000, the government had awarded a concession to Shoreline Lumbering Ltd. of Vancouver to remove timber from 4,600 acres of land on the Tsimpsean Indian reserve near Prince Rupert, B.C.

Friday, March 30, 1962.

A 19% drop in earnings before taxes is reported in B.C. Forest Products annual report. Net profit for the 15 month period, which report covers, was \$4,181,244, or \$1.21 per share. This compares with \$3,535,044 or \$1.03 per share for 12 months ending September 30, 1960.

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April 6, 1962.

Cooper Widman Ltd., Vancouver, B.C. announces it has plans to start a pulp mill in Prince George next year, with a capital of \$7 million. Mill is planned to have an initial capacity of 150 tons a day, which will finally be increased to 700 tons a day, requiring a final total investment of some \$30 million. Canadian Collieries Resources Ltd., has acquired the assets of Keeley Lumber Co. Ltd., Empire Mills and subsidiary companies plus Mount Baker Plywood Ltd., for \$2,600,000. A new \$1.5 million sawmill at Squamish, B.C. will be operating before the end of this year. Mill will have a capacity of 125,000 board feet per shift.