

WOOD PULP ~ ~ DEPARTMENT

THE DUTY QUESTION.

MUCH attention continues to be given both in Canada and the United States to the question of a duty on pulp wood and the manufactures thereof. The paper manufacturers across the border are urging protection against the importation of both paper and pulp, and this is being opposed by the publishers. Before the Ways and Means Committee at Washington Mr. John Morris, of the New York World, explained that as his paper consumed one-thirteenth of all the the paper used in the United States, or 110 tons on every mill day, he thought he voiced the sentiments of all newspapers. He continued:—"I appear to formally apprise this committee of the fact that the 24 or 25 manufacturers of white paper in the United States are perfecting their arrangements for a combination, and every newspaper shall be at the mercy of a central agency, by which these manufacturers shall receive an additional profit of four or five million a year, and tax knowledge to that extent." The manufacturers, Mr. Norris said, now had a protection of 10 per cent. ad valorem on pulp, and 15 per cent. on finished paper, and were sending their surplus paper to a foreign market, while as the duty on paper was prohibitory, none was imported. The purpose of the trust was to keep the price of paper at about 2½ cts., while the present ruling price was about 2 cents, and by cutting off various concessions to newspaper publishers, increase their profits in that way also. The paper and pulp manufacturers had acquired a monopoly of the best water powers and tracts of cedar for pulp. The possible denudation of the forests might be a matter for Congressional action.

Ex-Senator Warner Miller, of New York, claimed that many of the paper mills were doing business at a loss, and few were making money. He did not believe that Congress would permit a paper to establish a mill on one side of the Sault Ste. Marie and bring pulp across from Canada free of duty. The manufacturers asked only for 15 per cent. on paper, and about \$2 per ton on wood pulp, a lower rate than free traders would favor on most commodities. Most of the money invested in paper mills was making less than 6 per cent. interest.

ANOTHER OPINION.

A writer in the Paper Mill takes exception to Mr. Norris' views in the following remarks: "I want to call attention to one point which would be dangerous if the Ways and Means Committee were to accept Mr. Norris' suggestions. In the course of his remarks, he asserted that if the duty on paper were taken off, Canada would, if necessary, supply the American market. Canada could not, under present conditions, supply the American market, or even sell a pound of paper in this country, even if the duty were removed. In the first place, all the mills in Canada which are manufacturing news to-day would make comparatively little impression on the American market. In the second place, Canadians are

even now complaining that American competition there recently has forced the price of news paper from 2¾ cents down to something below 2½ cents in the American market. If Canadian manufacturers are hurt by having the price established at something less than 2½ cents in Canada, how, in the name of all that's good, are they going to sell paper in America at two cents, or less, duty or no duty?

"Canada cannot supply the market to-day; but here is the point to be considered. Canada is contemplating placing an export duty on pulp wood of \$2 or \$3 a cord. If it should impose such a duty, and the American Congress should place news paper on the free list, modern paper mills would spring up on the Canadian water powers like mushrooms, and in a comparatively short time, the conditions being continued, Canada would be in a position to ruin our industry. With the present disposition on the part of the Canadians, any action on the part of our Congress towards taking off the duty would not be simply in the nature of removing an unnecessary protection; it would be in the nature of throwing down defences and inviting the enemy to come in. It would be strengthening Canada's own policy of protection at our expense. This, however is purely speculative, because happily no such danger exists, but it is a danger to which Pulitzer and Norris would lead us, if they could have their own way."

A CANADIAN'S VIEW.

Mr. E. B. Eddy, the large Hull manufacturer of paper, pulp, woodenware, etc., appeared before the Tariff Commission at Ottawa requesting a duty of \$4 per cord on pulp wood. He said that sixty-nine per cent. of the spruce used for paper in New York came from Canada. Canadian raw material in spruce logs and lumber was being exported from Canada. Canadian forests were being denuded to build up American villages.

At present about a million cords of wood were being exported to the United States, which was worth from \$3 to \$4 per cord.

Sir Richard Cartwright pointed out that the government returns showed only value for about a hundred and fifty thousand cords. Either the estimate given by Mr. Eddy was greatly exaggerated or the returns were greatly out.

Mr. Eddy replied that the returns were certainly not correct.

THE DEMAND FOR SPRUCE.

TIMBER cutters in the Adirondacks and elsewhere in this country are now confronted with the unique condition that spruce is worth more in the market as material for wood pulp than as lumber. Spruce is the only wood that is in demand at the pulpmill as well as the sawmill. The cutting of spruce is stimulated by the increasing demand from abroad for American wood pulp, and it is an industry that the framers of the Dingley Tariff bill deemed worthy of protection. If Congress passes that bill, a duty of \$1.20 per 1,000 feet will be placed on Canadian spruce.

A recent calculation, made by experts in the lumber trade, shows that at least 65 per cent. of all the spruce cut in the forests of this country this year will go to the pulp mill. The competition of Canadian lumbermen has for a long time been a serious drawback to the profit-taking of

American timber cutters, consequently the imposition of a stiff duty on Canadian lumber would meet with eager approval in certain quarters. Ex-Gov. Russell A. Alger, of Michigan, has large lumber interests in Canada, and while in Montreal, a few days ago, he is said to have expressed the belief that the McKinley Administration would favor a "conciliatory policy toward Canada. The exportation of American wood pulp to Great Britain, it is said, will probably be largely increased during the coming year in consequence of a proposed advance in price by Scandinavian manufacturers. Formerly the Scandinavian wood pulp had a monopoly of the British markets, but the American product has been making headway in that direction steadily for the last few years.—New York Times.

PULP NOTES.

Five thousand cords of pulp wood are being gotten on American account by one contractor at Stanhope, Ont.

The Dominion commercial agent at Christiana, N. Y., describes a new machine which an inventor placed on the market there, the purpose of which was to wash off, instead of planing off, the bark on pulp wood, thereby effecting a great economy.

The Burgess Sulphite Fibre Company, of Berlin, Hampshire, is looking about for pulp wood in the vicinity of Quebec. It is offering to contract for spruce pulp wood in lots, large or small, to be loaded on an American ship and shipped during 1897. Liberal supplies will likely be drawn from about Coaticook.

A company of Buffalo men are said to have decided to establish pulp and paper mills at Petawawa, seven miles from Pembroke, Ont. The Guerton property has been purchased and operations will be conducted on an extensive scale. The Petawawa section is rich in spruce wood of every description.

Mr. F. H. Clergue, President of the Sault Ste. Marie Pulp and Paper Company, of Sault Ste. Marie, Ont., in Toronto a fortnight ago. He states that the manufacturers will shortly hold a meeting, and will concert in requesting the Dominion Government to place an export duty on pulp manufactures sent to countries which do not allow these goods in on the same terms as their goods are admitted here.

The total output of wood pulp and cellulose in Canada and Sweden amounts to 750,000 tons per annum. There is a disposition towards associated effort in the control of the export trade. The manufacturers of pulp in Scandinavia feel that they are doing business too small a profit, that the possession of immensetracts of forests growing pulp wood, the ownership of valuable water powers, entitles this traffic to a larger percentage of profit.

A pulp wood case came up before the Superior Court of Quebec last month. Garneau, the plaintiff, had made a contract to deliver 2,000 cords of pulp wood to the Eddy Company, the defendants, the company agreed to pay him \$4 a cord when delivered at Hull, and to add \$1 a cord as the wood was made, laid up and marketed by the company. When the plaintiff had about 300 cords piled in the bush he applied to the company for the advance, but they refused, claiming that the advance was not earned until the wood was piled on the banks of the Coulonge, the nearest stream. The plaintiff was depending on these advances to go on and complete his tract, and by reason of the refusal of the company to make them was forced to abandon his work. The court decided that the plaintiff had established his case, awarded him \$2,000 and costs, finding that the plaintiff would have realized a profit of at least \$1 a cord.

A POINTER FOR YOU.

Messrs. Reid Bros., Hepworth Station, Ont., "Would you kindly leave the "200 M. feet Dry Wood" out of the advertisement which we have in this paper, as we have disposed of a good deal of it, and find THE LUMBERMAN a good medium through which to find out the wants of the trade."