

Paper AND Pulp News.

DEVOTED TO THE INTERESTS OF CANADIAN PULP AND PAPER MAKING.

THE MARKET STIFFER.

DURING the past month the Canadian paper market has taken an upward turn. Not that prices have been advanced, but a decidedly firmer tendency has been developed. Several contracts have been placed at the ruling prices, and those who placed them breathed easy when they had accomplished their task.

Prices have been very low recently, as **PRINTER AND PUBLISHER** has frequently pointed out. Especially in news were quotations very low during the past twelve months, and those mills that have been trying to make news on old fashioned machines have been struggling desperately, some of them going to the wall. Even the mills which have the latest machinery have found it difficult to get a fair price owing to the intense competition of American makers.

But two causes have led to a change. The competition among domestic papermakers is lessening owing to a better understanding obtaining. The old intense jealousy is passing away and the manufacturers are recognizing that price slashing is not profitable. The second cause is the prospect of a combine among the American mills which make news, a movement referred to elsewhere.

There is seemingly not the slightest ground for believing that prices will be shaded in the near future. Moreover, there are grounds, as stated in the foregoing paragraph, for believing that prices will gradually rise slightly above their present level. This latter remark applies mainly to news.

NEWS IN THE UNITED STATES.

A TRUST of the United States manufacturers of news may or may not be formed, but it is at least a possibility of the future. It is meeting with considerable opposition from the public, as people are afraid of the effects of an organization with a capital of \$35,000,000.

The great point to be learned from this agitation is that the manufacturers are finding that they are making very little money at the present price of news. During the past three years prices have gone down and down until the 2 cent limit was passed. Now the prospect is that prices will either remain stationary or begin to rise again.

Speaking of this *The Paper Trade Journal* says: "There is no doubt that abuses prevail. Manufacturers who suffer from these are sharers in the responsibility for them. Had mill owners not yielded to the unfair demands of buyers in their anxiety to take orders they would have been on a better footing to-day,

even, perhaps, as to prices. It has been shown that unanimity without the formation of a combination or stock company has been able to make a change in the status of affairs. This could be continued without encountering risks or leading to stock jobbing syndicates. It may be that the income tax has been a factor in working a change in the views of the paper manufacturers. If this tax is sustained by the courts stockholders in corporations will be relieved from including the returns on their investments on their income account to pay the tax thereon. The companies will make the deduction and any person having an income other than that derived from his interest in a stock company escapes the direct payment of tax if he comes within the limit fixed by law. This certainly relieves the individual from exposure of his private affairs, but it does not, in our opinion, afford justification for a corporation capitalized at \$35,000,000."

IMPROVEMENTS AT LACHUTE.

The extensive improvements which have been going on for three years in the Lachute paper mills of J. C. Wilson & Co. have just been completed. It is now a three-machine mill, with room for a fourth machine, when trade requirements call for it. The new machine is of the largest class in Canada. The improvements include new warehouses and railway sidings for freight conveniences. There are also new wheels, and a complete outfit for power purpose. Messrs. Wilson's employes in Lachute number over 100.

UNITED STATES' RELATIONS WITH US.

TREASURER Warren Curtis, of the Hudson River Pulp and Paper Company, was recently in Montreal on business, and while there talked with a reporter to this effect: "We find Canadian spruce about the best material in the world for the manufacture of pulp, and will use about 3,000 carloads of it this year. We take it all down by train, so that it arrives at our mills in a dry condition, which gives it a decided advantage over the Adirondack wood, which is floated to us, and consequently comes to us thoroughly soaked. I do not understand," he went on to say, "why Canada is not doing more in the manufacture of paper. You have every advantage as regards raw material, power and cheap labor. We are shipping to-day 25 per cent. of our product to England, supplying as we do the *Pall Mall Gazette*, *World* and *Echo*, of London. We also ship extensively to Australia, sometimes as much as 200 tons a week. As things are at present, it costs 50 per cent. more to make paper in England than it does in the States, and, considering the