

PAPER AND PULP NEWS.

DEVOTED TO THE INTERESTS OF CANADIAN PULP AND PAPER MAKING.

EXPORT DUTY OR BOUNTY.

THE Government will no doubt hear from the paper and pulp men at the coming session of Parliament, if not before. The articles in this department of PRINTER AND PUBLISHER have been stirring up owners of mills as well as of limits who were previously somewhat indifferent. One of them stopped a representative of PRINTER AND PUBLISHER in Montreal a few days ago to thank him for the attention that the paper had been giving to this question. They were, he said, beginning to realize the fact that the American paper makers must come to Canada for their wood. As those who have been investigating the question point out, the sources of supply in the United States are almost entirely exhausted. They must come to Canada for their pulp. As long as we permit them to have our spruce logs free, and they charge a duty on our pulp, the logs will go over the border to be made into pulp and paper.

The general feeling seems to be to ask the Government, if they refuse to put an export duty on logs, that they give an export bounty on pulp to develop our own mills and to force the Americans to erect mills and grind the pulp in Canada. There are others who advocate a policy which shall also continue the development of the industry and manufacture the pulp into paper in this country. Instead, therefore, of the bounty being on pulp they want it on the finished paper. This last is more in keeping with the theory on which all bounties are paid.

There are some who think that if we play our cards well we may force nearly all makers of news print in the States to transfer their manufacturing to Canada or be undersold in their own market. It is true they may endeavor to induce their own Government to increase the duty on paper to counteract a Canadian bounty, but the outcry from the newspapers there would be so great that no Government would dare to vote for higher duties. Canada has the trump card. It depends on the business ability of the members of the Dominion Cabinet whether it will be properly played.

ADVANCE IN PULP.

Mechanical wood pulp is higher. Some manufacturers are talking \$6 to \$8 advance, but, as far as can be learned, there is only an advance of \$2 established. Paper makers paid \$20 last week for a grade they bought at \$18 two weeks previous. On the strength of this advance some of the paper dealers are trying to do better on "news," but they are not meeting with any response. In fact, there was one maker in Montreal this week who was offering to close contracts at $\frac{1}{4}$ c. under the lowest figure asked for round lots, and $\frac{1}{2}$ c. under the usual market

price. If, however, the strength in pulp is not only maintained but values still further advance, firmer prices on paper are possible, if not probable.

The scarcity of pulp is due to the low water in many, if not all, the rivers on which the mills are situated. Some of them have had to suspend operations altogether, while others are running on half-time. An unusually rainy season from now to Christmas would help things some, but with the probability of frost in the ground very soon, the outlook is not favorable for those who look for much improvement in the water supply.

IMPORTING PULP INTO THE U.S.

An application was heard at Washington from Rudolph Helwig for the remission of penalty duties amounting to \$9,100 on an importation of pulp appraised at about \$17,500. The duties were levied under the McKinley Administrative Act, which requires the addition of a penalty of 2 per cent. for each 1 per cent. that the appraised value exceeds the entered value, and were imposed because Mr. Helwig failed to enter any market value. The value which he returned in the entry was obtained under the provisions of section 8 of the Administrative law providing for a statement of the cost of production of consigned goods. The general appraisers and the courts found that there was a market value for wood pulp at the port where Mr. Helwig's goods were exported, and this market value was far more than 10 per cent. in excess of the entered value. The question will be decided later.

THE LAKE SUPERIOR SHIPMENTS.

A dispatch from Duluth, Minn., says: The trade in pulp wood, mostly spruce, has been very large this season. This is the first time that shipments have been made from the Lake Superior region, and the business is bound to attain enormous proportions, for the proper kinds of wood cannot be found in large quantities elsewhere than along the north shore of Lake Superior, unless one goes far inland from the shore of Lake Huron, which makes the cost of getting to the mill on the American side more than the mill can stand. Last winter Michigan and Wisconsin pulp mills caused 40,000 cords of spruce to be cut along the lake shore from 10 miles west of Port Arthur to 180 miles east. The average cost at the mill is about \$5.75 per cord, and the lake freight rate is somewhere near \$2.50. On the American side, at intervals, there are large quantities of spruce close to the water and the mills are beginning to look this way for their supply.