Trade Commission, again expressed the opinion that paper prices in 1918 would rule much below that figure, as follows:

"The systematic campaign through the trade press and other circles to make publishers believe that the Federal Trade Commission acceded to this present three cent price is incorrect. There is a decided attempt being made to instill in publishers' minds the belief that the Commission will fix a price for next year higher than three cents. Certainly, of course they may do this, but manufacturing costs must increase enormously over anything in prospect at the present time to warrant such a price. The Paper Committee is in close touch with the cost of materials and supplies for the operation of mills in Newfoundland and are following paper making materials markets very closely.

"With the prospect in view of so many prices being fixed by the Government, such as coal, copper, wool, chemicals, and steel supplies, the indications are that the prices of these paper making materials will not be very materially increased, at least during the next year, over last, and that therefore a price based on cost for 1918 should be a very fair proposition and give a very satisfactory price.

"There is no doubt that the basis of operation between publishers and manufacturers under this agreement would be fair. No matter what else is offered to a publisher, he should be willing at all times to put his business on such a basis. Unless a contract is at $2.85 f.o.b. mill or less for 1918, with a promise of supply till the war is over at Federal Trade Commission prices, it cannot hope to be better than this. Arrangements for the decisions will be based on accurate knowledge and desire to do what is right."

The bearish arguments of the Committee on Paper misled the editors of various trade papers. Thus, the *Editor and Publisher* (New York) committed itself unreservedly to predictions of a low price market for 1918, based on information (or misinformation) supplied by the Committee. In its issue of January 26, 1918, that very excellent publication printed the following editorial:

NEWSPRINT PRICES

"During the month of December, according to the reports of the Federal Trade Commission, fifty new contracts for newsprint were made by publishers with the thirty-six United States companies reporting to the Commission. These contracts aggregated 40,178 tons, and the prices for 95 per cent of this tonnage ruled at $3 and less, f.o.b. mill.

"Open market prices for rolls in carload lots ranged from $2.90 to $3.50, and for sheet paper, $3.15 to $3.50.

"The *Editor and Publisher* has, for months, urged upon publishers that no new contracts should be made at this time, unless made at a price below $3. The Paper Committee of the A. N. P. A. has strongly advised that policy, and it would seem that the publishers have profited by the admonition.