

of Empire

CANNOT GAUGE THE EFFECTS OF TURMOIL

Steel Industry has not yet Benefitted From the War But it May Later

BUSINESS IS NOT LARGE

Trade is Hopeful of a Change For the Better as Soon as Business Adjusts Itself to New Situation—This Will All Take Time—More Orders Are Expected From Europe.

Exclusive Leased Wire to The Journal of Commerce. New York, September 2.—It is the opinion of local steel authorities that another month will have to pass before it will be possible to gauge with any degree of accuracy the probable effects of war upon the trade. So far the industry has benefited very little through the conflict. In fact it has suffered in common with business generally because of the none too favorable financial outlook. Important building projects in many sections of the country have been temporarily abandoned on account of fear of a money stringency and this has reflected itself in a sharp contraction in structural steel orders. New bookings in all of the heavier lines have fallen off rather sharply, but in the lighter materials demand is holding up quite well.

Trade is Hopeful.

The trade is hopeful of a change for the better as soon as the country's business adjusts itself to the new situation. Foreign orders have been placed since the outbreak of the war, but in the aggregate they are well below some of the recent estimates. A European order for the construction of 2,000 motor ambulances has been practically placed here, and present inquiries for bullet, sheet bars and slabs amount to about 20,000 tons. Eastern mills will in all probability receive these orders if they are placed. There has been no change in price, producers adhering to the higher levels announced about a fortnight ago. The railroads are displaying extreme conservatism in purchasing equipment and the week's orders from this source were rather unimportant. Plans now being worked out by the roads to increase their revenues through an adjustment of passenger rates may, if successful, help the steel mills by prompting more liberal equipment buying.

The Pittsburgh Outlook.

(Exclusive Leased Wire to The Journal of Commerce.) Pittsburgh, September 2.—Nothing developed in the last week to substantiate the claim that the war would prove a stimulating influence on the steel trade. The extent of foreign enquiry for our steel products, has, it appears, been somewhat exaggerated and actual business closed for this account has been of small proportions. Domestic business has fallen off, reflecting the growing caution of steel consumers owing to the general unsettlement of business and monetary conditions incident to the war. Shipments of finished steel to South America are going forward, but this outward movement represents old contracts. The United States Steel Corporation is furnishing the greater part of this steel. The pig iron market continues quite flat at all of the leading centres, demand being of a hand-to-mouth character. With a lessening in the rate of incoming orders the leading mills have slowed down operations slightly as compared with last week, and predictions are heard of a further material curtailment of capacity unless the situation speedily shows signs of improvement. The outlook for larger supplies of ferro manganese is steadily improving and steel makers are no longer worrying over the possibility of having to suspend operations because of a shortage of this valuable alloy.

New York, September 2.—New business is coming in slowly, although orders in September were somewhat better than in August.

MUNICIPAL MARKET PLAN IS PROVED TO BE A SUCCESS

Saving of Dollars was Made Evident—Department Stores Sold at Prices Below Those Demanded in the Stores—Reductions Were 20 to 30 Per Cent.—Society Represented.

(Exclusive Leased Wire to The Journal of Commerce.) New York, September 2.—New York free markets may become a permanent institution. That was the opinion expressed to-day, and was based upon the first days success of the municipal market. Not only were the farmers making the best of their opportunities at the four places allotted by the city fathers as a free mart, but department stores as well sent large van loads of goods to be sold at lower prices than the same articles could be bought at the stores themselves.

Big Money Savings.

Some idea of prices named and the savings to be effected may be found in the following tabulation: Grocery Prices. Market price: Potatoes 50 lbs. 10c. 5 lbs. 10c. Tomatoes 2 1/2 lbs. 10c. 5 lbs. 5c. Cantaloupes 10c. to 25c. 6c. Green corn, dozen 40c. 25c. Canned peas 8c. 7c. Canned soup 10c. 5c. Bread 5c. 4c.

This morning housewives were abroad early with market baskets on their arms, awaiting the bargains they knew were to be had. Long island farmers sent in wagon loads of fresh vegetables, while the farmers of New Jersey also contributed to the stores of fresh foods to be purchased at reasonable prices. Practically all classes of persons were represented, among the prospective purchasers.

High Classed Patronage.

Most surprising of all was the class of patronage at the Fort Lee Ferry market. Dozens of women came in their automobiles. Some carried the time-honored market basket, others stuffed their purchases into suit cases and rolled back to their residences as though they were returning from vacations. Maids and butlers from all over the upper end of Manhattan came to swell the Fort Lee throng, and a few hours after the market had opened, the supplies were exhausted.

Mrs. Julian Heath, President of the Housewives' League, and other experts on market prices, estimated that the average saving was from 20 to 30 per cent. in comparison with retail prices yesterday in stores serving the same districts in which the free markets were located.

Gave Good Measure.

The department store trucks sold sixteen ounce loaves of bread for four cents, while a twelve to fourteen ounce loaf usually costs five. A pound of coffee of a twenty-five cent grade at seventeen, tea, at nineteen that was sold to retail at twenty-nine; canned peas at seven cents instead of eight; cocoa and chocolate at prices far below those obtaining in the stores, and sugar at five pounds for thirty-two cents. Green string beans sold at five cents a quart; tomatoes from some farm wagons at 40 cents for 150 and from others at one cent a pound. Potatoes at 75 cents a bushel, and seven to nine pounds for 10 cents. Corn at 20 to 25 cents a dozen for grades selling at about 25 cents more in retail grocery stores.

Cleveland, September 2.—"Iron Trade Review" says:—

"Iron trade is coming to a realization that any benefits of a substantial nature resulting from the European war will come slowly, and that period of re-adjustment will, in case of some products, be severe. Hence there is considerable pessimism as to near future. Prices are, however, being firmly maintained."

what in excess of production, enabling the industry to show slight increase in unfilled bookings. No large orders for export have developed as yet, although there are plenty of inquiries. Steel mills of the country are operating on a basis between 60 and 70 per cent. of capacity.

NEWSPRINT TRADE DOMINATES MARKET

Domestic United States and Export Demand Continues Very Active—Competition Keen

GOVERNMENT ORDERS AWAITED

These Are Expected to be Placed Entirely With Domestic Mills—One Serious Situation is That of Paper Stock—All Prices Have Advanced and Business is Below Normal.

The local paper situation shows little change. There continues to be a good deal of uncertainty in the market in regard to prices and the possibility of supplying the demand and in most cases quotations are simply for immediate business. This is especially the case for export trade. Newsprint continues in brisk demand. The domestic consumption remains about the same, that is about 25 per cent. above normal, and the demand from the United States continues good. One salesman who has just returned from a trip through the Western States said that he could have obtained contracts for the entire output of his mill at the very highest prevailing quotations but that his company was only accepting new orders for immediate delivery and looking after the interests of its customers. The daily output of this mill is about 450 tons and since the beginning of the war it has been working to utmost capacity. The expert business has also been very active this week as inquiry from Great Britain, South Africa, Australia and South America has been brisk. Manufacturers are quoting as high as 2 1/2 cents a pound for export and general opinion is that if the present condition continues quotations for export will be around 2 cents. Quotations for domestic and United States consumption are now around \$1.95 to \$2.05. Business in sheet news is not so brisk but quotations are higher at \$2.05 to \$2.20, f.o.b. mill. Manufacturers are looking for a general advance in news prices at the beginning of the year, providing the war is not ended by that time as it is estimated that over 75 per cent. of the contracts expire about that date.

Business Below Normal.

Business in other grades continues below normal. Tissue papers have advanced about 5 per cent. but on all other lines prices are about the same as before, the war, although practically all quotations have been withdrawn from the market. English and Scotch manufacturers have advised their agents that they will accept orders conditionally, both as regard prices and delivery, but in most cases jobbers and the trade generally have taken steps to fill their orders on this side, but they feel that it will be unnecessary to order in anything like the same volume as they would have under ordinary conditions. Representatives of German houses are closing out the stocks both here and in Toronto. Manillas, kraft, paper bags and wrappings are still in rather poor demand, but prices are better in view of the fact that many of the machines on these lines have been stopped or turned out to news. Manufacturers are making a determined effort to secure all the Government business for which tenders will be called this month and it is stated on good authority that most of this business will be given to domestic concerns.

Ground Wood Trade Active.

The ground wood market is active and prices are very firm at top quotations. Water conditions this week are much better owing to the heavy rains of the past week or so and the mills are now grinding to full capacity. The demand from the United States is brisk and large sales are reported of No. 1 at \$25 a ton. The surplus supply which had been collected previous to the war is now about taken up and manufacturers are confident that they can dispose of their entire output at satisfactory prices as long as the present situation continues. The sulphite market continues very uncertain. Domestic manufacturers are being besieged for supplies but are only accepting orders for immediate delivery. Prices are mostly nominal at about a ten per cent. advance over those prevailing at the beginning of last month. The difficulty in procuring sufficient supplies of rags, china clay, casein, etc., is disturbing domestic manufacturers not a little. Most of these supplies are obtained from the Old Country and although shipping is now practically resumed difficulty is being experienced in getting delivery. The market here is active but stocks are being held awaiting further developments. Prices are mostly nominal.

Pulp.

News (rolls), \$1.95 to \$2.05 at mill, in carload lots. News (sheet), \$2.05 to \$2.25 at mill in carload lots. News (sheet), \$2.25 to \$2.75, depending on quantity. Book papers (carload), No. 3, 3.75c. to 4.25c. Book papers (ton lots), No. 3, 4c. to 5.50c. Book papers (carload), No. 2, 4.25c. Book papers (ton lots), No. 2, 5.40c. to 5.25c. Book papers (carload), \$4.75 to \$5.25. Book papers (ton lots), No. 1, 5.25c. to 6.00c. Writings, 5c. to 7 1/2c. Sulphite bond, 6 1/2c. to 7 1/2c. Grey Browns, \$2.35 to \$2.75. Fibre, \$3.35 to \$3.75. Manila, No. 1, \$2.90 to \$3.25. Manila, No. 2, \$3.10 to \$3.50. Manila, No. 3, \$3.35 to \$4.10. Unglazed Kraft, \$3.50 to \$4.50. Glazed Kraft, \$3.75 to \$5.00.

Pulp.

Ground wood (at mill), \$15.00 to \$17.00. Ground wood, \$22.00 to \$25.00 delivered. Sulphite (unbleached), \$48.00 to \$50.00, delivered in Canada. Sulphite (unbleached), \$50.00 up, delivered in United States. Sulphite (bleached), \$58.00 to \$60.00. Sulphite (bleached), \$60.00 up, delivered in United States.

Paper Stock.

No. 1 hard shavings, \$1.50 to \$1.85, f.o.b., Toronto. No. 1 soft white shavings, \$1.75. No. 1 mixed shavings, 50c. White blanks, 80c to 82 1/2c. Heavy ledger stock, \$1.40 to \$1.45. Ordinary ledger stock, \$1.10. No. 2 book stock, 45c to 50c. No. 1 book stock, 70c. No. 1 Manila envelope cuttings, \$1.10 to \$1.15. No. 1 print manilla, 60c. Folded news, 40c to 45c. Over issues, 50c. No. 1 clean mixed paper, 30c to 35c. Old white cotton, \$2.50 to \$2.75. Thirds and blues, \$1.35 to \$1.40. No. 1 white shirt cuttings, \$5.25. Black overall cuttings, \$1.75. Black linings, \$1.75. New light flannelettes, \$5.00. Ordinary estimates, 80c to 82 1/2c.

BUSINESS IN METAL CIRCLES CONTINUES FAIRLY ACTIVE

Many Lines Remain Unchanged, Although There Have Been Some Further Adjustments Noted During the Past Week, as in Lead, Copper and Zinc—Ammunition and Guns Coming to the Fore.

The metal industry throughout the world has suffered to a great extent, due to the general strife in Europe and the consequent shutting off of exports and imports of all foreign basic metals, as well as many foreign ores of importance in manufacture. This is noticed particularly in ferro-manganese, zinc and copper, although the latter to a much less extent. As yet, there have been no great benefits derived on this continent from the war in Europe. It is expected that such heavy metals as are required in the construction of bridges, buildings as well as many other of the lighter metals will immediately hop into demand, just as soon as there is some sign of a let-up in hostilities, and even before.

No Untoward Demand Yet.

This demand, however, has not materialized. Prices have, however, held steady at recent levels and there is little inclination that the market will weaken. Orders, of course, are restricted, but these are expected to improve.

In local circles, there has been noticed a steady feeling, although there has not been a great volume of business passing. In some cases, there have been advances, although these have been mostly in the nature of adjustments. There has been a reduction in tin values to the extent of fifty cents, due to the slight loosening up process of the past two weeks. Solder has also fallen in line and taken the decline.

England has been more active in her demand for copper during the past week, and in consequence, there has been a slightly firmer tone prevailing. Casting ingot is quoted at \$15.50. Antimony is steady at \$20. The ash of lead pipe has been changed, and it is now 7 1/2 cents with 2 1/2 per cent. off, while lead waste pipe is 9 cents with 2 1/2 per cent. off.

Another Advance in Winnipeg.

(Special Staff Correspondence.) Winnipeg, September 2.—Wheat prices opened fairly steady, influenced by American markets. Following opening there was good buying in futures and a fair demand for cash wheat and prices strengthened on all months found 1 1/4 to 1 3/4 up to noon, the October month leading. Unfavorable weather conditions practically all over Manitoba and in parts of eastern Saskatchewan were factors in causing the advance. Exporters are still going slow. Prices at noon were, Oct. 114 1/4, Dec. 115 1/4, May 122 1/4. Oats were 53 1/4 for Oct. and 54 1/4 for Oct. and 115 1/4, May 122 1/4. Oats were 53 1/4 for Oct. and 54 1/4 for Oct. and 115 1/4, May 122 1/4.

Inspections were 265 cars as against 169 last year and in sight on Wednesday were 360.

Cars inspected on Tuesday, Sept. 1, follows:—

Table with columns for Wheat, Oats, Barley, Flax, Total, C. P. R. 78 cars, C. N. R. 149 cars, G. T. P. 10 cars, Duluth, 28 cars, Total 265 cars. Amount of grain inspected of crop of 1913: 1913-14, 1912-13. Bushels. Wheat 158,913,450, 141,716,215. Oats 67,197,100, 59,763,600. Barley 15,793,250, 14,832,100. Flax 14,992,200, 22,081,500. Rye 82,000, 16,000. Screenings 242,700, Nil.

RECOVERY IN CHICAGO PIT.

(Exclusive Leased Wire to The Journal of Commerce.) Chicago, September 2.—Despite the extraordinary strength that the market has displayed for the past few days, wheat values refused to yield to-day recovering a 2-cent loss, sustained shortly after the opening on a fresh volume of commission house buying. The situation continued very bullish, but as regards domestic crop developments and foreign news. The prospects of Turkey and Italy joining the war were accepted as further indications of a long drawn out struggle, and an unending demand of large proportions for American wheat. Bullish ideas were also strengthened by a Canadian crop estimate of 135,000,000 bushels, which compares with a yield last year of 205,000,000 bushels.

B. W. Snow estimated the spring wheat at 220,000,000 bushels against a yield of 239,000,000 bushels last year. Farmers' offerings in the southwest were heavier, but this failed to exercise a depressing effect on prices.

The signing of the War Risk Bill by the President prompted the belief that the export demand would increase sharply. Corn values developed strength after early irregularity. There was considerable selling early on reports of poor cash demand and favorable weather conditions throughout the belt. Later offerings were lightened on the bullish Snow estimate, naming the probable yield at 2,477,000,000 bushels as compared with the poor yield of 2,448,000,000 bushels last year.

TORONTO GRAIN MARKET.

(Special Staff Correspondence.) Toronto, September 2.—Prices at the present level are evidently too high to encourage buyers to come into the market to any extent. No. 1 Northern wheat fell back to \$1.25 with No. 2 quoted at \$1.23. The Canadian visible showed a decrease of over two million bushels for the week. C. W. oats continued scarce while little Ontario stuff either wheat or oats was moving. Quotations were as follows: No. 2 C. W. oats Bay ports 82c, No. 3's 61c, Ontario oats, new, outside, 50c to 55c. Ontario wheat \$1.15 to \$1.20. American corn 94c, Toronto. Winter wheat flour 90 per cent. patents nominally \$5 in bulk. Manitoba first patents \$6.50 in bulk. Bran 25c; shorts 27c; Middlings 30c; feed flour 32c; rolled oats \$6.50 per barrel.

TORONTO LIVE STOCK TRADE.

Toronto, September 2.—Receipts 90 cars, 981 cattle, 364 calves, 2,318 hogs, 1,778 sheep. Trade was strong, but real choice cattle were lacking. The bulk of butchers sold between \$7.75 and \$8.25. Cows brought between \$4.50 and \$7.25, with canners at \$3.50 to \$4.50. Stockers good brought \$6.75 to \$7.25. Bulls brought \$6 to \$7.00; milkers \$60 to \$95 each. Calves were steady \$9 to \$10.75 being paid. Lambs were down 25 cents, going at \$7.75 to \$8.25; trade was active but receipts have been heavy. Swine were down 25c. to \$10.25, fed and watered.

MIXED BLESSING TO THE ZINC INDUSTRY

America Only Profits in This Direction by European War—Other Lands Suffer.

PRICES HAVE IMPROVED

Sudden Jump in Zinc Prices Due to Shutting Off of Australian and Algerian Supplies of Ore—Germany and Belgium Crippled—Europe Must Now Buy From America.

The war in Europe is proving a mixed blessing to the world's zinc industry. It has improved the zinc metal situation in the United States. On the other hand, this is the only nation which has profited from the European situation, insofar as it affects zinc. The other producers and consumers, notably Australia, Belgium with their heavy smelter production and export trade, and England, France and Russia with their strong imports of zinc heretofore from continental Europe are affected adversely and to a very marked extent, by the war.

The sudden improvement in the price of zinc since the outbreak of the war, is ascribable to the shutting off of the Australian and Algerian supplies of ore, and to the curtailment in continental Europe's mine and smelter output, owing to the conscription of employees for the armies and also owing to many of the Belgium, Austrian and Polish plants being within the zone of actual hostilities.

Australia Important Ore Producer.

Australia hardly at all figures in the world's smelter production of zinc, albeit it furnishes over one-fifth of the world's supplies of zinc ore. The Broken Hill district, in New South Wales, is the premier zinc camp, with an annual output of 320,000 tons of zinc in exported concentrates. The Australian zinc ore supplies have been shut down, owing to the tying up of the ocean carrier trade in the Pacific, and also owing to the curtailment by most of the principal buyers, who, strange to say, are chiefly Belgians and Germans, rather than British. The resumption of Australian shipments and their transfer to the British Isles, is unlikely, owing to England's restricted smelter capacity.

The Algerian zinc ore output has been eliminated through the destruction of the shipping docks by the German Mediterranean fleet at the outbreak of the war. This ore went mostly to France.

Germany and Belgium Crippled.

Two-thirds of Germany's zinc output comes from Silesia, in the eastern part of the empire. This supply—which furnishes the bulk of Germany's export zinc—already greatly curtailed by the war, is in danger of being annihilated altogether by the Russian armies' advance. Naturally, the Silesian export business is nil. Belgium, which is the world's third largest smelter producer, after the United States and Germany, has its zinc industry just now paralyzed. All the works and the principal domestic consumers are in the zone of active hostilities. Belgium's heavy exports of zinc to Great Britain, and to some extent to Rhenish Prussia and to France, is now nil, as is also its domestic zinc trade.

Europe Must Now Buy From U. S.

England finds its net imports of 125,000 tons of zinc from Belgium and Germany cut off, as are also its supplies of ore from Australia. Its zinc buying has suddenly been transferred to the United States from continental Europe, and this is the principal factor in the improved zinc metal situation this side of the Atlantic. France also must come to us for the zinc she formerly purchased from Belgium and Prussia, as well as the zinc she smelted from Algerian ores.

England's zinc consumption, despite the war, is expected to suffer no great curtailment, since she will probably handle much of the galvanizated iron and brass trade which formerly fell to the lot of Germany and continental Europe; and owing, too, to the increased brass consumption in war munitions. Great Britain's zinc capacity is around 75,000 tons of spelter per annum. It is apparent, therefore, that even with the resumption of Australian zinc ore shipments, it will be impossible to divert these shipments to England, and the United Kingdom will still have to come to the United States for the bulk of her zinc requirements.

To make a bad situation worse for England, she had curtailed her imports and expanded her zinc exports early in the year. This ate up surplus stocks accumulated in 1913.

World's Production and Consumption.

Statistics of the smelter production of zinc, and consumption, in the various countries, are given in the subjoined table. The figures are, in the main, those of the United States Geographical Survey. It may be mentioned in passing that 60 per cent. of the zinc output is used in galvanizing iron, etc.; some 20 per cent. in the manufacture of brass (which is usually a third zinc and two-thirds copper), 9 per cent. in sheet zinc, and 11 per cent. for zinc paints, zinc dust, and miscellaneous other purposes.

World's zinc production and consumption, in short tons, spelter output, not ore:

Table with columns for 1913, 1912, 1911, 1910. Rows for United States (Output 346,674, Consumed 295,370), Germany (Output 289,872, Consumed 232,000), England (Output 65,197, Consumed 202,000), France-Spain (Output 78,289, Consumed 90,000), Belgium (Output 217,928, Consumed 70,000), Holland (Output 26,810, Consumed 4,000), Austria-Hungary and Italy (Output 23,928, Consumed 64,000), Russia (Output 8,289, Consumed 23,000), Scandinavia, Australia, Japan, others (Output 27,237, Consumed 20,000), World's total (Output 1,084,227, Consumed 1,001,000).

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