

PAPER.

The following is a List of our Advertisers engaged in the Paper Trade in Montreal.

Angus & Logan,
Buntin, Alex., & Co.

Dagg, C. G.
Miller, Robert.

THERE seems to be a periodical panic among consumers of Paper, a cry that a dearth either exists at the moment in which they write, or that a scarcity is looming up before them in the not very distant future. For many years the question of obtaining a material for paper other than rags has engaged the attention of manufacturers, and the demand has not slackened in our own day. Prior to the discovery of chlorine, in 1774, by which many varieties of coloured linens, paper, &c. could be restored to their original whiteness, much inconvenience was experienced, which that invention for the time removed. Before then, an ingenious German had exhausted almost every imaginable material for making paper, and, in 1772, published a book containing an account of his experiments, which contained no less than sixty specimens of paper formed of different substances. He used the bark of willow, beech, aspen, hawthorn, lime, and mulberry; catkins of black poplar, the stalks from thistles, nettles, in fact weeds of every kind, besides potatoes, shavings, and saw-dust. He made paper from them all; but as a commercial speculation it was fruitless. In 1801, straw paper was made; in 1817, the refuse of potatoes, after the starch had been extracted, was used; and, not to enumerate all the materials, the cuttings of hides and rotten wood were employed for the same purpose; while in 1829 pasteboard was made from leather, and paper from hay. Ten years ago, the increased price of paper caused a loss to the proprietors of the "London Times" of £10,000 to £12,000 per annum, which induced them to offer a reward of £1,000 to any one who could discover a new and readily available material. That reward, we believe, has never yet been successfully claimed. The quantity of paper consumed by the "Times" daily is somewhere about ten tons! so that it may easily be imagined of how much importance this question is to them. Much valuable information on the subject of fibrous plants fitted for Paper may be obtained from a work published in London a few years ago by Dr. J. Forbes Royle, well known for his botanical researches.

Our object, however, is in the meantime to enquire how the Paper trade has grown up in our own country, and to lay before the readers of the *Trade Review* facts bearing upon the question of opening up new fields for labour, and giving employment for our population. The demand for paper is well supplied by the mills now at work; but it may be useful to look back a few years and see their beginning, as a lesson and encouragement to establish other branches of manufacture suited to our climate and to the capabilities of our people.

Twenty-five years ago there were in the whole province three paper-mills, two in Lower and one in Upper Canada, whose aggregate production was about twenty-two hundred pounds per day, one half being printing and the other half coarse packing paper, but no writing-paper except a small quantity of inferior school-paper. The number of hands employed was about sixty, many of them young boys and girls, who were employed in sorting and picking rags, the weekly wages in all not exceeding \$115. The average price of very common printing-paper, much inferior to what is now produced, was about eight pence per pound; coarse wrapping-paper ranging from four pence to five pence. The duty on imported paper was then five per cent. The duty was step by step advanced, contrary to the remonstrances of the consumers, who maintained that an increase of duty would practically leave them at the mercy of the makers; and that the trade would fall into the hands of a few capitalists in the business, who would keep it a close monopoly. The makers, on the other hand, contended that, so far from a high duty increasing the price of paper, it would have a directly opposite effect, as, under the system of low duties which then existed, Canada was used as a convenient place to get rid of superabundant stock by the American, German, and Belgian makers, whenever a glut took place in their own countries, and that as soon as trade flowed on as usual, supplies were withdrawn; that, taking an average of years, consumers were actually paying much higher prices than they need do, since the makers here, having no regular steady market, but being liable at any time to be driven out of the trade whenever the three markets we have mentioned were overstocked, had no security and no inducement to put up new machinery, to substitute improved for old processes, or to extend their

operations. They pointed out that since the duty had been increased from five to ten per cent., that new mills had been erected, and that the quality of paper had been steadily improving, while the price had not been raised. That the additional rise to twelve and a half per cent. had had the same effect; and the leading manufacturers offered, were the duty increased to fifteen per cent., to reduce the price the moment the new tariff became law. These representations took effect, and the result promised by the makers followed,—paper was reduced in price, a very marked increase took place both in production and quality, new establishments were formed, modern improvements were introduced, and there are now fifteen mills at work, employing 600 to 700 operatives, who receive wages to the amount of about \$7,000 a month. Nor does this at all represent the number of people employed. The books, accounts, and correspondence require to be conducted by clerks, of whom a good many are employed; while in, and connected with, the warehouses are porters, laborers, carters, &c., who are not few. Add to these, over two thousand men going round the country peddling tin-ware in exchange for rags, and we will have some idea of the amount of money saved to the country, every penny of which would have been payable to a foreign nation in gold were it not for the existence of these mills.

So far from the duty having raised the price, we may mention that in 1862, when there was a great scarcity of material for paper in the States, the price of rags rose here from 3½ cents to 6½ cents; and while the rise on paper was only 1 cent on an average of all qualities, the rise in the States was not less than 20 cents. Of course, had this rise in rags been permanent, the makers here could not have sold at such a small advance; but they had large stocks of rags, and preferred to deal fairly by the public, rather than to charge a price which the rate of paper in the United States would have perfectly justified.

For some time experiments have been going on with regard to other materials than rags. A cargo of paper, the result of those experiments, is now, we learn, loading in Europe, which is expected here by the opening of the navigation.

This sketch of the rise of Paper-making may induce us to turn our eyes in other quarters for employment suitable for our population. We do not believe in the possibility of fostering manufactories unsuitable to our climate or our position; but there are several which might be prosecuted to great advantage, and every one of these helps on everything else. There is a mutual dependence on one another which makes each new branch of industry a centre for new interests, and a source of new employments and a larger market.

NOT SATISFACTORY.

IF the confederation of the British North American Provinces should never take place, the agitation of the subject has produced, for Canada at least, one good result for which we should be grateful; it has given us a strong government.

Never, perhaps, in the history of this country has there existed greater necessity for intelligence and executive ability in the administration than at the present time; and these qualities, it must be admitted, have never before been possessed in a higher degree by any Canadian government. There are times which augur transition or change, but not necessarily of a political character. The great questions which are forced upon our attention at present are directly and indirectly commercial. At no former period of the history of the country has there appeared a greater necessity for an energetic, intelligent, and liberal policy. The embarrassed condition of both the producing and mercantile classes, calls for immediate relief; and those obstructions which block the path of our material progress, must be removed. It is not difficult to see that we have been pursuing a commercial policy which has been any thing but satisfactory in its results. Whatever other good it may have accomplished, it has certainly increased, and that fearfully, our indebtedness. Our prosperity has been, to say the least, spasmodic and transitory. The immense amount of money expended upon our railway system, canals and harbours, during the last dozen years, has had the effect of developing the country to a considerable extent; and while the works were in progress, every interest was stimulated to a high degree of activity, through the money disbursed by the construction, being circulated throughout the channels of trade. Individual wealth was also accumulated, and private property improved. Plenty was the order

of the day, and a generous expenditure of means was prompted, resulting in improvements all over the country. Comfort and happiness followed in the train; and we thought ourselves a prosperous people with bright prospects and a glorious future. All this however, is now, sadly changed; we have not been decimated nor ravished by war, like our neighbours; nevertheless, we sink. Our prosperity has become like an old worn-out coat, barely protecting us from the inclemency of the weather. Every interest of this country has suffered a marked decline. The consumer cannot pay his bill. The retail merchant, struggling against bankruptcy, has to renew his paper, and all the debts throughout the country fall with a crushing weight upon the shoulders of the wholesale importer. These results are all traceable to the falling off in the productions of the country. The exports compared with the imports on an average of fourteen years, show an annual decline of nine million dollars; and the present year is only exceptional in an increased falling off in the value of our exports. A more interesting or important question cannot occupy the attention of any government. If it is true that the people of Canada cannot pay their way, does it not argue that something is wrong in the management of the industrial machine? The industrial classes of this country are an energetic and intelligent race, a decided improvement upon those of the same order in the crowded nationalities of Europe; and with this consideration, the question forces itself upon the attention, "Why, with all the opportunities that Canadians enjoy, with material advantages seldom possessed by any people, should success be so very uncertain?"

THE HOUR.

WE have had a continuation of delightful weather during the week, the atmosphere clear and exhilarating; a bright sun and high temperature. The accumulations of ice are fast disappearing from the streets, and the City cars are again upon their course. The river swells rapidly, and is encroaching again on the lower parts of the city; it threatens shortly to carry off that vast crystalline bridge of ice which has spanned it for the last three months. The ice has become treacherous, and crossing highly dangerous. Business, we are glad to say, partakes also of the surrounding influences, and begins to show signs of animation. The dry goods are the first to move. All the leading houses are busy, and some of them very much so. A considerable number of purchasers are down from the West, and report that retail stocks are, in general, light. Purchases are, nevertheless, being made upon a moderate scale, showing that the warnings of the passing season have not been without their effect. Cotton goods are held low, and a disposition is shown to avoid investing largely in staples. The demand is chiefly for fancy goods, as there is a prevailing feeling that less risk will be incurred in purchasing a stock of this description. The supply in this class of goods is not likely to be redundant. Men of good standing only are being pressed to buy, and great caution is manifested in crediting. Complaints are common that the Grand Trunk does not facilitate movements so much as is desirable, but it must be admitted that this spring has been one of extraordinary freshets, and it is only surprising that interruptions have not been more frequent along our lines of railway. Great damage has been sustained by the canals of Western New York. The *Albany Argus* reports, that damages caused by the recent freshets are very great; and in the absence of any official information, it is supposed that the Erie canal will not be opened before the middle of May at the very shortest; and a longer period will have to be assigned for repairs upon the Oswego canal. It will be fortunate if the spring opens without our own canals sustaining any serious injury.

The event of the week is the discharge of the five raiders on Wednesday, at 2 p.m. The chief point for consideration was, as to the genuineness of their commission. This being established, there remained no doubt in the mind of the judge as to the belligerent character of the raid. Judge Smith, after a masterly analysis of the bearing the question had on points of international law, deliberately arrived at the conclusion that the case was not covered by the Extradition Treaty, and the prisoners were forthwith set at liberty. There was considerable excitement, and the Court-house was besieged with eager listeners to learn the result. The moment the decision was given, a shout rent the air from the crowd without. The individuals were again immediately arrested to be tried for a breach of the neutrality laws.