

WOOD PULP ~ ~ DEPARTMENT

QUEBEC PULP WOOD ASSOCIATION.

The annual meeting of the Province of Quebec Pulp Wood Association was held at Sherbrooke on April 8th, when the following officers and directors were elected: President, H. M. Price, Quebec; E. W. Tobin, M.P., Brompton Falls, M. N. McCrea, Sherbrooke; O. C. Morrisette, Lake Megantic; G. H. St. Pierre, M.P.P., Coaticook; O. Brouillard, Carmel; G. C. Poulin, St. Johns; G. T. Smith, Montreal; B. C. Howard, Sherbrooke; G. P. Nadeau, Stanfold; John Campoux, D'Israeli.

It was decided to hold an association dinner at Sherbrooke on May 31st next.

NEW PULP MILL COMPLETED.

We learn that the erection of the new pulp mill by the Chicoutimi Pulp Mill Company, Limited, at Grand Mere, Que., is now completed. This work has been in hand for nearly two years. It is probably one of the finest pulp mills in Canada, and has been built with a view of utilizing all modern improvements for convenience and utility. In addition to the mill itself, the company are providing an estate of forty houses, a church and parochial offices, and everything needful for their employees and the establishing of a trading village.

The architect who had the carrying out of this extensive establishment is Mr. R. P. Lemay, of St. John Street, Quebec.

NEW SUPPLY OF PAPER.

It is announced that peat has been found to make an excellent quality of paper. A large mill was established a few months ago at Celbridge, County Kildare, Ireland, which has been engaged in converting Irish peat into wrapping paper of various grades. The mill site is on the River Liffey about twenty-five miles from Dublin, near the eastern margin of the great bog of Allen which extends westward about seventy miles to the River Shannon.

The process of converting the peat into paper is a wonderful metamorphosis. Carts are engaged hauling the raw peat from the bog, where it is dug direct to the mill. Then begin the various processes of cooking with the necessary chemicals until it becomes reduced to the condition of pulp required, after which the methods followed are very similar to those of the ordinary paper mill. It is somewhat of a singular sight to see the black peat fresh from the bog thrown into the mill at one end and follow it to the other end where it emerges as paper. It is claimed for the new industry, this latest discovery, that it will prove an opulent mine of wealth among the Irish people. Certainly the raw material is at hand in great abundance in the ample boglands of the island.

THE PULP INDUSTRY IN ONTARIO.

The annual report of the Crown Lands Department of Ontario contains the following reference to the wood pulp industry:

The Sault Ste Marie Pulp & Paper Company took out considerable quantities of pulp wood last winter, but owing to the unfortunate financial condition into which the affairs of this company have fallen, the pulp mills as well as the other industries were shut down for a considerable period. The Receiver has been operating the pulp mills since the beginning of November, and using up the wood taken out by the company last winter.

The Sturgeon Falls Pulp Company has completed its new mills, and carried out to the full its contract with the Government, and has now in operation an extensive plant, capable of turning out from 40 to 50 tons of newspaper per diem. This company is taking out during the present winter a large supply of pulp wood.

The Spanish River Pulp and Paper Company has the construction of its plant sufficiently well advanced to warrant it in taking out a supply of pulp wood during the present winter.

The Nepigon Pulp & Paper Company proposes to proceed with the erection of its mills on the opening of navigation.

The Rainy River Pulp Company has had plans prepared, and is about to construct its dam at Sand Island Falls, on the Seine River, where it proposes to develop some 10,000 horse power.

The Montreal Pulp and Paper Company has not yet proceeded with active development.

The territory covered by the Blanche River pulp concession having been almost entirely settled up, the benefit of the pulp wood upon the lands will inure to the settlers instead of to the Crown. This company, however, has not yet erected its mills.

THE DEVELOPMENT OF THE PULP AND PAPER INDUSTRY.

The Quebec Colonization Commission has reported at some length upon the various measures that have been proposed to stimulate the development of the pulp and paper industry, and in conclusion says: "There remains, therefore, as a practical means of stimulating the development of the industry, only the payment of an export bounty on paper manufactured in the country. Such a means of encouraging our native industry entails no drawbacks. It is acknowledged as the most effective and its effect would be immediate."

Concerning the imposition by the Quebec Government of a stumpage sur-tax on the pulp wood cut on Crown lands and exported to the United States, the Commission argue as follows:

In addition to the other drawbacks it entails, the imposition of a stumpage sur-tax by the provincial authorities would effect only far too small a proportion of the timber exported to yield results of any importance. The following facts seem to place this beyond a doubt:

From the information supplied us by the Department of Customs it appears that there were exported from Canada to the United States 379,338 cords of pulp wood, whereof

322,395 cords or 84.95 per cent. came from the Province of Quebec. The report of the Crown Lands Department of Quebec shows that, in fact, 202,633 cords of pulp-wood were cut on Crown lands in 1903, whereof only 51,902 cords were exported. Deduct this quantity from the total exported, say 322,393 cords, and there remain 270,433 cords which were evidently cut in the seigniories and on patented lands.

This clearly shows that the stumpage sur-tax imposed by the Quebec Government can affect only a very small portion, one-sixth at the most, of the pulp wood we export to the United States. Moreover, such sur-tax has the drawback of putting the settler who establishes himself on a Crown lands lot in an exceedingly disadvantageous position as compared with him who settles on a lot in a seignior. If pulp wood sells at \$4 the settler in a seignior gets \$4 net for himself, while the settler on a Crown lot who gets \$4 for his wood is compelled to deduct from such the stumpage payable to the Crown, 65 cents, which leaves him only \$3.35 net.

In reason and in equity a government should not be guilty of such injustice towards settlers who undertake to settle on its lands.

The imposition by the Federal Government of an export duty on pulp wood, say the Commission, would be a more effective means of attaining the desired end. The question is to know whether it would be prudent or equitable to adopt it. To be effective, this export duty should be high enough to counterbalance the difference between the cost of transporting the pulp and pulp-wood and the import duty imposed on pulp in the United States.

Between Ottawa and certain points in the United States, notably Buffalo and Shortsville, the cost of shipping pulpwood and pulp is \$2.60 per ton for the wood, and \$3 per ton for the pulp. It takes a cord of wood to make a ton of pulp, dry weight. But ground or mechanical pulp holds 50 per cent. of water, so that to ship a ton of this pulp to the United States, transportation must be paid on two tons of freight—on the pulp itself and on the water which it contains—which brings up the real cost of transportation to \$6 a ton on the dry weight. Pulpwood only pays \$2.60 a ton, which makes a difference of \$3.40 per ton against our pulp-makers. Pulpwood pays no import duty in the United States, but pulp pays one of two dollars and upwards per ton, which increases to \$5.40, the disadvantage under which our pulp-makers labor in placing the product of their mills on the American markets. To overcome this disadvantage and place our Canadian manufacturers on an equal footing with the United States, it appears to us clear that we must give them the benefit of an export duty of at least \$5 or \$6 a cord on pulpwood.

In the long run, or rather at the end of a few years, the imposition of this export duty on timber would certainly produce the desired result, and would give a marvellous impetus to the pulp and paper industry; but the adoption of this measure would have the immediate effect of ruining by far the greater number of the pulp mills now in operation in the province. This is the opinion of Mr. J. A. Dubuc, manager of the Chicoutimi Pulp Company, and undeniably one of the most competent men to express a pertinent and practical opinion on this question.

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