

Paper and Pulp News

THE PRICE OF "NEWS".

A TIME may have been in this country when makers of "news" could get 6 to 10 cents a pound for it, but that time is past. The introduction of improved machinery for the production of pulp and of swift machines for the manufacture of paper has brought down the price. Moreover, the gradual tendency of prices in general, during the past five years or more, to keep steadily on the down grade must have had its effect on prices.

Some time ago the paper manufacturers held meetings and tried to agree on prices. "News" then was to be sold at $3\frac{1}{2}$ cents per pound. But the price has gradually dwindled down to 3 cents, and bids fair to go below. Anybody can buy it now at 3 or $3\frac{1}{4}$ cents, and a carload at 3 cents is not a great bargain.

The largest contracts have been placed lately at $2\frac{7}{8}$ cents, and an odd sale is reported at $2\frac{1}{4}$. Sometimes this is a straight cut, in other cases the paper is sold at 3 cents and an '8 or '4 cent per pound taken in advertising.

It will thus be seen that at present there is no bottom to the market, and the present price depends on the buyer's power to play off one agent against another. These sellers have no rule and no final price. They are merely hedgers, not business men. They sell for what they can get, and the man who trusts them most implicitly is the man who pays the highest price. The lamb is fleeced, and the bear is given the delicacies.

But the price is going still lower. United States mills are offering to lay down "news" in Toronto or Montreal at 2.625 cents. The price on the wharf at New York for export to South Africa, Australia or Europe is 2.10. The duty coming into Canada is 25 per cent., thus making the cost 2.625 cents per pound. It will thus be seen that the United States manufacturer will sell for 2.10 cents at his mill and pay the freight to Toronto or Montreal.

If the United States manufacturer can make "news" at 2.10 at his mill, why cannot the Canadian manufacturer? The price of domestic "news" must come down to $2\frac{1}{4}$ to 3 cents for small lots and to $2\frac{62}{100}$ for carloads in order to compete successfully with the United States mills. If they cannot sell at that price, they had better get out of business at once.

Another thing which leads to this conclusion is that the price of "news" in London, England, has dropped to a penny a pound. This means two things. In the first place it means that Great Britain is going to take less of the United States pulp, and is going to manufacture her own "news" from Norway or Canadian wood pulp. In the second place it means that more United States "news" will be thrown on the Canadian and Australian markets, with the usual consequent shaving of prices.

If Canadian manufacturers are to continue to supply Canadian publishers with "news" they must adopt the best machinery, the latest and most approved systems of manufacturing, and be what are known as energetic manufacturers.

There is no reason for them to expect that the present protection of 25 per cent. will ever be increased. This is a fairly high rate, and more than a revenue rate, which is usually placed at $17\frac{1}{2}$ per cent. The influence of Free Traders, Patrons of Industry, etc., will effectually prevent any further increase of the tariff, and no relief against low prices is at all likely from a Governmental quarter. In fact, a reduction is much more probable, and this possibility should always be borne in mind.

AN HISTORICAL MILL.

IN Canada there is a most important mill, one which has made an epoch in the history of an industry, and one which will always be historical so far as that industry is concerned. The story is interesting and has never got into print before.

Speaking with a paper manufacturer the other day, he was saying that business was brisk, and added: "Why, I often go behind in my orders for high grade papers because I cannot procure Grade A sulphite fibre, or sometimes I am forced to use Grade B." I asked him if the Eddy Co. did not turn out enough from their big sulphite mill to supply Canada, and he replied: "Oh, I wouldn't buy from an opposition paper mill. I would sooner let my own mill stand idle than do that."

Previous to hearing that, I had always thought that the story of the big sulphite mill might be somewhat fanciful and I was afraid to tell it. But that settled my unbelief.

This big mill went up on the bank of the Ottawa before the E. B. Eddy Co. ever owned a paper-making machine. The intention was to supply sulphite fibre to Canadian manufacturers of paper, who would naturally be supposed to prefer Canadian fibre to United States fibre.

The mill was built, and I am told that I am the only newspaper man who ever had the privilege of seeing the inside of it. It is a beauty, and to go through it and watch the logs coming up the gangways in an unceasing and unbroken line, see them sawn into blocks about three feet long, then barked, then again sawn into blocks a few inches thick, sorted and passed on to the three great forty-foot boilers, then on to the grinders and through the machines into great rolls of flaky sulphite fibre ready for shipment was a novel, and enriching experience.

As I have said, the mill was built and the pulp was made, but nobody in Canada would buy it. It had to be sold in the United States, because it was boycotted by domestic paper men.

This was disheartening, and the E. B. Eddy Co. got angry. Result The E. B. Eddy Co. put in paper-making machinery,