

## PAPER MANUFACTURES AND WAR'S EFFECTS

Trouble May Come from German Aggression—Canada and Other Countries are Filling Gaps Made

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There is no more striking illustration of the economic upheavals caused by the war, and of the almost impartial way in which the innocent are made to suffer with the guilty, than that furnished by the paper industry. When the war-cloud broke in blood on the astonished nations of Europe, it appeared certain to the German leaders of industry that Germany and Austria would not only hold Norway, Sweden and Finland as sources of supply for the primary materials of wood and pulp and the cheaper grades of paper, but that the Teutonic empires would continue to dominate the rest of the world in the supply of those specialties in finished papers which had been for years their own monopoly. So commonly was this assumed that when Belgium and Northern France were overrun there was, an almost systematic wrecking of paper plants in the devastated areas in order that German mills might supply the trade thus destroyed.

### Paper Mills Closed.

The illusion was soon dispelled. The rapid internment of German and Austrian merchant ships and the dangers of navigation in the North Sea; along with the Russian ban upon exports of wood and other products from Russia to Germany—swiftly brought the German manufacturers to realize that they could not live on their own vitals. In the first four months of the war it was reported that in the branch of kraft papers alone 27 German mills closed down, while scores of mills in other branches either had to close or run to partial capacity, because of shortage of raw materials or the sudden cutting off of the foreign market for their goods. The docks at the seaports of Holland and Germany were piled with pulp and paper, and many other classes of goods for which there was no outlet over an ocean ruled by the enemy. Then the restrictions of the coal trade, followed by the British prohibition of the export of coal to Germany, the embargo placed by Italy on the export of sulphur, an essential in pulp; the stoppage in the shipment of some other raw materials of the trade, upset all calculations, both in Germany and Scandinavia, with the result that not only was the manufacture of German specialties in paper paralyzed, but in the first winter of the war about 200 papers in Germany suspended publication and large numbers of others had to appear in reduced size.

### Lost Supplies and Markets.

Before the war Germany had been importing 80 per cent. of its pulp-wood from Russia and about 20 per cent. from Austria, while large quantities of pulp were imported from Scandinavia. Germany, in turn, exported over 200,000 tons of mechanical and chemical pulp to other countries, such as Great Britain, France, the United States and Italy. At the beginning of the war, and for some years before, Germany was also the largest manufacturer of paper and paper products of any country of Europe, her annual output being over a million and a half tons more than Great Britain, the next in rank in Europe. German growth in this industry may be measured by the record of her consumption of wood for pulp, which increased from 485,818 cords in 1900 to 1,342,604 cords in 1913. Of all countries in the world the United States alone exceeded Germany in the manufacture of paper, and this only because of the large production of newsprint, based on the vast issues of the American press. In many specialties a practical monopoly was conceded to German mills. And Great Britain was Germany's largest customer. The big guns that smashed the villages and churches of France and Flanders also severed these arteries of friendly trade, to the deep and specific injury of the German industry—an injury which will prove permanent in many important lines and which will cut the deeper the longer the war continues. This is evident because the world must have the particular kinds of paper which Germany has heretofore supplied, and the mills of Great Britain, the United States, Canada, Japan and India are now called upon to fill up this gap. In fact these countries have already completely succeeded in many lines, nor is it likely that the consuming countries will ever be content to allow any one country to monopolize these products again.

The same is true of many lines of chemicals and dyestuffs, of which a greater or less control of the world's mar-

kets has been held by German firms, affecting profoundly the current of the textile, as well as the pulp and paper trades. The scarcity of these chemicals is giving a severe wrench to a thousand different trades and industries all over the world, bringing difficulty and distress in the remotest lands, and in trades and occupations which at first consideration seem to have no connection with the industries that produce the primary materials.

Take one example. Germany holds on to all the bleaching powder she can buy or make, and Great Britain and her allies prohibit the export of the same to their enemies, and because this material is used in the manufacture of asphyxiating gases, the paper, the textile and many other industries all over the world are in trouble. German toilers in these industries will be injured for years beyond the duration of the war itself, and it seems certain that at least some of these trades will be destroyed forever in Germany.

## CANADIAN PACIFIC NOTES INCLUDED

The initial list of the American securities which the British Treasury is prepared to buy or borrow under the mobilization scheme contains fifty-four bond issues, mostly of American railways. It includes also, however, American Telephone and Telegraph, General Electric, New York Telephone and United States Steel shares. Canada is represented only by Canadian Pacific 6 per cent. notes.

The railways down on the list are the Santa Fe, the Baltimore and Ohio, Central Pacific, Jersey Central, Chesapeake and Ohio, Chicago, Milwaukee and St. Paul, Chicago, St. Louis and New Orleans, Erie, Illinois Central, Kansas City Terminal, Lake Shore, Long Island, Louisville and Nashville, the Soo Line, New York Central, Northern Pacific, Oregon Short Line, Oregon and Washington, Pennsylvania, Reading, Southern Railway, Union Pacific and Southern Pacific.

An extension of this list is promised shortly. The committee has invited offers of any other desirable dollar securities. The list contains no government, state or municipal issues and no stock issues.

## LARGE ESTATE PROBATED

Probate of the will of Mrs. Lillian Frances Massey Treble, who died in Santa Barbara, California, on November 3rd last, has been granted to the National Trust Company, Limited, which has handled several unusually large and important estates during the past year, and Mr. and Mrs. Chester D. Massey, the executor and trustees. The will disposes of an estate valued at \$2,054,038, of which approximately \$1,500,000, or about 75 per cent., is bequeathed for religious, charitable and educational purposes.

Among the assets of the estate, as taken from the inventory filed on the application for letters probate, are the following: Cash on hand and on deposit, \$95,985; jewelry, clothing and personal effects, \$11,342; household furniture, paintings, automobiles, etc., \$27,025; mortgages, \$2,541; and real estate, \$95,350.

The bonds held were as follows: Dominion Coal Company, \$13,504; Toronto and York Radial Company, \$14,540; Bell Telephone Company of Canada, \$19,490.

The stocks forming part of the estate were: 12,671 shares Massey-Harris Company, Limited, \$1,520,520; 200 shares Bell Telephone Company, \$30,600; 100 shares National Trust Company, \$22,000; 460 shares Consumers' Gas Company, \$40,480; 100 shares Wm. A. Rogers, Limited, preferred, \$9,900; 7 shares Wm. A. Rogers, Limited, common, \$665; 21 shares Canadian Rogers Company, preferred, \$1,680; 7 shares Canadian Rogers Company, common, \$105; 55 shares Russell Motor Company, common, \$1,925; 342 shares City Dairy Company, Limited, preferred, \$32,400; 50 shares City Dairy Company, Limited, common, \$4,900; 128 shares Dominion Telegraph Company, \$12,800; 50 shares Carter Crume Company, Limited, preferred, \$2,750; 265 shares Canada Cement Company, preferred, \$23,982; \$24,900 Montreal Tramways Company debenture stock, \$20,231; 31 shares Montreal Tramways Company, \$6,820; 10 shares Montreal Tramways Company (10 per cent. paid), \$220; 100 shares Canadian Bank of Commerce, \$20,300; 65 shares Dominion Bank, \$14,755; and 60 shares Canada Landed and National Investment Company (50 per cent. paid), \$4,725; total stocks, \$1,771,758.