

PROBABLE EFFECT OF NEWSPRINT REGULATION.

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by the Canadian mills. Under the present agreement this price will now be distributed over their entire output and it is only fair to believe that as their cost of production advances they will be able to secure power from the Government to charge advanced prices. On the other hand, the American demand for pulp is expected to be materially greater this year than last, and under such conditions the mills will undoubtedly enter to that trade in larger measure than they have done in the past, and under this arrangement a larger profit can be made than on newsprint.

CONDITION CRITICISED.

This is the condition criticised by the paper manufacturers. Price regulation and its subsequent effects will undoubtedly restrict further development of paper mills in this country during the immediate future. On the other hand, these regulations will tend to encourage the export of our partly manufactured raw materials instead of the finished product. The pulp and paper mills of Canada up until the middle of 1915 had experienced most trying conditions, and in few cases were they able to show adequate profits on the capital invested in their operations. There has been claim of over-capitalization of these concerns and, unquestionably, such has been the case in a few instances. But the enormous capital required in establishing these industries lends itself to such speculation, and in this connection the publishers have been much to blame for the attitude they have assumed in the past in failing to expose such speculative promotions. For years this country has played into the hands of American manufacturers in so far as our forest resources are concerned. The present instance is a case in point, except that it now appears as though our policy has been dictated by the American press. It may be that they are far-sighted in restricting the development of the pulp and paper industry in this country. They have worked hard through their representatives to bring about the Canadian action before the Federal Trade Commission showed its hand, thereby making it appear that Canada had taken the initiative. The collusion on the part of the newsprint manufacturers of the continent, as evidenced before the Commission was made necessary by trade conditions produced during the last decade. The anti-trust laws of the United States have a wide application, but in this case they have attacked a situation that was righting itself, and which ultimately would have worked out to the advantage of all concerned. It is difficult to believe other than that this country has again played into the hands of the Americans.

CAN AFFORD TO KEEP SILENT.

At existing prices for groundwood and sulphite pulp, viz. \$60 and \$90 per ton, respectively, at the mill, Canadian concerns can afford to keep silent on this matter of price regulation. These prices have been established in open competition under the relation of supply to demand, and there is every prospect of an even higher range during the coming months, so that the prosperity of the industry will be little affected. But the regulative action is certain to retard further development of the industry for the immediate future at least. Last year plans had been announced for an increase in the Canadian production of newsprint paper amounting to about 700 tons a day. There was much talk of a great expansion of the industry under the influence of American capital, and the country was in a good way toward the efficient utilization and conservation of our forest resources. This latter cannot be expected, however, if these resources are to be exploited for the benefit of American industries. However short a time these regulations remain in effect the injury to the pulp and paper industry of the Dominion in retarding development of the paper production will have a far-reaching result. Surely, the policy is a short-sighted one for any Government supposed to have the interests of the country at heart.

C. P. R. DISTRIBUTES WAR LITERATURE.

The Journal of Commerce is in receipt of a number of valuable reports, articles and data relating to the war, all of which were forwarded by Mr. Fred C. Lydon, City Passenger Agent of the Canadian Pacific Railway. In distributing this literature throughout the country the company are rendering a real patriotic service.

News of the Week

Tuesday, March 13.

British have made gains against Germans in France. Turks have made further retreat before Russians in Persia.

Another railroad strike is threatened in the United States.

Wednesday, March 14.

Germans retreating in France. British occupy Greyllers and Loupart.

British seize a town five miles north of Bagdad.

German raider is again in Indian Ocean.

Mexico City will again be capital of Mexico.

The Montreal Board of Trade passed a resolution calling upon the Federal Government to enforce the militia act immediately and call out men for the defence of Canada.

American hard coal producers have been warned not to fail to make summer deductions.

Sixty German submarines were reported to have been put out of business since January 1.

The Duchess of Connaught died in London.

Thursday, March 15.

British are five miles north of the city of Bagdad. Russians take Persian town 80 miles from Hamadan.

British on the outskirts of Baupaine.

In the Austro-Italian theatre the usual bombardments and small infantry attacks continue.

French minister of war resigns.

Twenty ships sunk during past week.

Premier Lloyd-George carried Cotton Duties motion.

Friday, March 16.

Russians revolt and Czar abdicates; Grand Duke Michael is regent and the Duma is in control.

A bill for woman franchise has been introduced in the Nova Scotia Legislature by a Government member.

The Canadian Council of Agriculture asks \$1.50 to \$1.90 for grain to be sold to the British Government, or a flat rate of \$1.70.

A plan to reorganize the Canadian militia and call out 50,000 to 100,000 men, primarily home defence, has been laid before the Cabinet.

Notable additions were made to the British embargo list.

The Kaiser is reported to have ordered the Belgian slave raids stopped.

A total of \$3,000,000,000 francs will have been spent on the war by France by June 1 next.

Saturday, March 17.

Russian Emperor, Heir and Grand Duke have abdicated.

Popular policy is formulated by new Russian cabinet.

Von Hollweg demands reforms for Prussians.

China decides not to join the allies.

French cabinet to be reconstructed.

British troops have gained further successes in the Somme district.

French continue to make progress on both sides of Ancre.

Renewed activity is reported by Berlin, which admits French success.

British troops are advancing up the Diala river from Bagdad, while Russian troops have occupied a height west of Kermanshah, Persia. British forces have taken part of the town of Bakubah, 30 miles northeast of Bagdad and on the main road to Kermanshah. The Turkish forces continue their retreat up the right bank of the Tigris from Bagdad.

Monday, March 19.

British and French take seventy towns and villages advancing on front of 82 miles.

Three American ships sunk make Overt Act.

Railway strike in U. S. called off.

BRITISH SHIPPING LOSSES.

The London Board of Trade, reviewing the first six weeks of German unrestricted submarine warfare, says that in January, 1917, Great Britain possessed 3,731 vessels of 1,600 tons and over, without considering many of lesser tonnage. From February 1 to March 14 losses of British ships were approximately 78, which leaves 3,653 of over 1,600 tons. A very large amount of tonnage is on stocks building for the British marine, of which a fair percentage is being turned out monthly. From February 1 to March 10 no British ships have been blockaded in harbor. Large number of old tramp steamers, of slow speed, have been sunk, as they afforded easy prey. During past

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CANADIAN BUILT SHIPS.

Ships to the Value of Sixty Million Dollars to be Constructed in Canadian Yards During the Year.

It is estimated, at Ottawa that ships to the value of sixty million dollars are under contract to be constructed in Canada during the coming year.

Among them are the vessels included in the orders to the amount of \$25,000,000 so far placed on behalf of the British Admiralty through the Imperial Munitions Board, 100 others under construction at plants in various cities throughout the Dominion and certain craft regarding which information cannot be given. In this stimulation of the shipbuilding industry, the British controller of shipping, the British Admiralty, the Imperial Munitions Board and two departments of the Canadian Government have had a part.

Mr. J. W. Norcross, vice-president and managing director of the Canada Steamship Lines, has been appointed director of shipbuilding in Canada.

Negotiations are now in progress with a view to introducing the manufacture of steel plates for ships and structural steel in Canadian plants.

DREW THE LINE AT A DEFICIT.

President King of Washington (D. C.) Railway & Electric Co. is not a selfish man even if he did hire a lot of strikebreakers when Washington conductors and motormen went on strike. "I don't mind the new conductors turning in no cash," said Mr. King, "but I do draw the line at one who reports a deficit."

Two weeks only 29 British ships have been sunk, against 48 in first two weeks of February. Losses will decrease as devices are put into use, as German personnel trained to submarine work becomes smaller and as ships are armed. Average movement in British ports is 710 daily, while average destruction is 2.8 vessels.