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The Pulp and Paper Industry

Output Three Months Behind

Groundwood Pulp Very Scarce—Job Printers Have Had to Refuse Contracts for Lack of Paper—no Serious Shortage of Book and Writing Paper

There is little change in the paper situation to record this week and the paper dealers who keep their finger on the pulse of the industry are predicting that the output will not catch up with the demand for at least two or three months. The shortage, while it applies to most lines, is more acutely felt in newsprint circles and a good many of the smaller papers which have to buy in the open market are living from hand to mouth, although it is conceded that the mills are doing their best to keep them supplied in common with the larger publication houses which are protected to some extent by contracts with the mills. Fair deliveries of sulphite pulp are being made but groundwood pulp is hard to get and in many cases the paper makers, in their anxiety to get supplies for their product, have to go over the heads of the sales end of the business and try their luck with the mills direct. But with the orders piling up at the mills, both for pulp and paper, it requires quite a lot of persuasion and negotiating on the part of the paper dealers to lend a car of paper or pulp and it is no sooner received than it has been handed out to anxiously waiting customers. This shortage of pulp has caused a general advance in most groundwood products, manilas and most specialty lines having increased materially in price within the past ten days. The general shortage of paper is reflected in the difficulties under which many of the job printing houses are operating. The first thing that a printer does when he figures on a job is to phone the salesman or the mills to see if he can get paper and in many instances the reply has been that he couldn't have the paper even if he was awarded the printing contract. In these circumstances many tenders have been allowed to go by the board and the job printer had to be content to carry on with the smaller jobs in hand. In other words, if the printer can't get the paper he can't figure and it is the general testimony among the salesmen in Toronto that they have had to turn down many of the jobs after a long distance call to the mills.

There are some lines, however, in which there is no material shortage and in this category come book and writing papers. In these lines the output is below the demand but not in the same proportion as prevails in many lines, such as newsprint kraft, manilas etc. An estimate made by the head of one of the big paper mills in the St. Catharines district places the shortage at not more than five tons of book and writing paper a day and if this discrepancy were made up, he declares it is a question whether or not this extra tonnage would be absorbed. The maker of this estimate was inclined to think that in the lines mentioned, especially the shortage cry was exaggerated and this in turn caused some hesitancy on the part of some paper converters and printers from going ahead and expanding, fearing that the supply of materials would hamper them in their development. It is claimed that there is no serious shortage in book and writing papers and that there will be ample supplies to meet both the present needs and any program of expansion by the paper dealers that might be contemplated.

Recent advances in wrapping paper, kraft and tag manila have had no appreciable effect on the

volume of business and mills and jobbers are as busy as ever, despite the increases. Jobbing houses all report business this January as producing more trade than in any opening month of the year in the past five years. Deliveries are still late and all mills are accepting orders in all lines at prices prevailing at the time of shipment. Despite the fact that the plants are running to capacity, production is falling further behind. The paper board mills cannot guarantee delivery for three months. Toilet and tissue plants are about three to four months in arrears.

Several new dryers have been installed by the Canada Box Board Co. in their plant at Frankford, Ont., and Montreal, which will increase production by several tons per day. All paper box factories are particularly busy owing to the demand from the manufacturers of confectionery who are doing a record business in sweets and this naturally calls for big supplies of boxes, plain and fancy. The manufacturers report a great shortage of girl help and at least three of the companies in Toronto have plans in contemplation for the extension of their plants to meet the urgent call for more paper box containers.

Board of Commerce to Control Pulp.

Mr. R. W. Breadner, who temporarily succeeded Mr. R. A. Pringle, K. C., as paper controller, has resigned and his resignation has been accepted. The whole question of paper control has been placed with the Board of Commerce. The Government has determined that owing to recalcitrant mills having been so much trouble in connection with the supplying of newsprint, the form of control should be placed in the hands of a body having the greatest possible powers to see that its orders are carried out. That body is the Board of Commerce.

The Board of Commerce it is pointed out, has full and complete authority, is vested with the powers of court and has the right of punishing not only companies disobeying orders, but also directors and managers who disregard them.

They have the right to fine and are in a position to see that their orders are promptly and efficiently carried out.

The Board of Commerce Act specifically provides that its jurisdiction may be added to by the Governor-in-Council and the whole matter of newsprint supply has by the order been specifically added to that jurisdiction. In addition to this so that the board would be clothed with the fullest possible power to deal with the situation which has arisen, all the authority which different paper controllers have had in the past are conferred upon the board, which is named specifically as paper controller. The result is that the board can exercise to the full not only their own statutory authority in connection with the supply of newsprint, but can also exercise all authority which the paper controller could exercise under any order-in-council or under the legislation of 1919.