of restricted supply available for this market—first, because the normal increase in production is not available; and, second, there is a strong stimulus in this country and in Canada to cultivate export markets in a large way.

"The Webb Law, which was recently passed by Congress, allowing the manufacturers of the United States to combine for export, had this in view. Already the paper manufacturers have taken advantage of this and have organized the American Paper Export Company, chiefly backed by the International Paper Company, the American Writing Paper Company, and the Cliff Paper Company. At the head of this organization is Arthur C. Hastings, for a number of years president of the American Paper & Pulp Association and president of the Cliff Paper Company, and formerly president of the American Writing Paper Company. During the years which Mr. Hastings developed and enlarged the American Paper & Pulp Association to such an extent that it became too big to handle and has subsequently been divided up into Associations of various grades, such as Newsprint, Book, Board, Pulp, etc., he spent a great deal of money employing expert talent in investigating foreign markets, particularly South America. His association with this export enterprise will, without doubt, be an excellent one for them. There is probably no better man in the United States to get paper out of this country, with his knowledge of foreign markets and domestic manufacture. This presents a serious picture, in view of the fact that the United States manufacturers handle two-thirds of its own domestic requirements.

"In the Western Territory, the Crown-Willamette group have always had very efficient expert organization, which during the war has been considerably extended, particularly to Australia and South American markets.

"Canada has also greatly enlarged the scope of its Eastern organization in the Canadian Export Paper Association, where Mr. Steele has organized a staff from five or six to thirty or forty.

"Consumers in this market will have to face a situation of a substantial increase in export, and production not increased to meet their demands. European paper mills will not be gotten into efficient running shape again for two years, which means they will not be able to take care of South America and Australia, and will probably lose that entire business to America. In addition to this, without any doubt, America will export a substantial quantity of pulp and paper to Europe itself for a time. Print prices will not return to old levels immediately we have peace conditions again. **Probably on account of increased costs, reduced money value, and continued decrease in the supply of wood, they will not return to former levels, at least for many years—if ever.**

"**Groundwood.**—Considerable anxiety has been created among consumers of print paper on account of the probable shortage of wood next year. While this is at the present time probable, there are some conditions which will affect this considerably. The cut of wood will not be reduced this winter as much as was probably feared three or four months ago. Similarly last year, it was feared at about this time that