RETALIATORY DUTY AGAINST CANADA

United States Tariff Committee Discuss Restrictions on Wood and Pulp Exports

A retaliatory duty against Canada on print paper valued at not more than 2½ cents a pound, is being discussed by the United States Senate Finance Sub-committee. The Dominion Government is in communication with Washington on the matter.

A despatch from Washington states that print paper in the Underwood Bill is on the free list, and the amendment being considered would provide "that if any country, dependency, province or other sub-division of Government shall impose any export duty, export license fees or other charge of any kind whatsoever, whether in the form of additional charge or license fee or otherwise, upon printing paper, wood pulp, or wood for use in the manufacture of wood pulp, there shall be imposed upon printing paper when imported either directly or indirectly from such country, dependency, province or other sub-division of Government, a duty equal to the amount of such export duty or other export charge imposed by such country, etc., upon printing paper, wood pulp or wood for use in the manufacture of wood pulp.

Want to Force Canada.

United States manufacturers urge that a retaliatory duty against Canada would force that country to yield on some of its restrictions against American manufacturers on wood and pulp exports.

In his argument, before the sub-committee, Mr. Norris, chairmen of the paper committee of the American Newspaper Publishers' Association, in addition to reiterating his argument against countervailing duty, called attention to a proposal of American paper maunfacturers to establish a system of operating their mills only five days a week instead of six. This, he argued, was another effort to curtail the American output of print paper.

"The consumption of paper has been growing steadily," Mr. Norris said in his brief, "at the rate of 90,000 tons per annum, or 300 tons per day, but in the year 1911 not a single paper machine was built by the manufacturers in the United States.

Position of Manufacturers.

"In the month of March, 1911, at the time they were appealing to your committee for relief, their reports to the bureau of corporations showed that they were restricting their output below normal capacity to the extent of 156,000 tons per annum, or 13 per cent. They were aggravating that restriction by the exportation of 49,755 tons of newspaper in the fiscal year of 1911. Any unusual condition arising during the year, such as a strike, a fire, drought or blizzard, or shortage of cars or congestion of traffic would have precipitated a situation similar to that in the fall of 1907 and the spring of 1908, when a paper panic costs publishers approximately $10,000,000.

"The paper makers inaugurated a campaign to deter investment in new mills, and when they failed to stop construction in any other way, they attacked the credit of the projectors of those new mills, and urged banks to refuse loans to the new enterprises."

Provoked Ugly Complications.

Mr. Norris contended that every measure the United States had directed against the Canadian provinces had reacted against the United States paper maker and consumer that "instead of composing the situation, they provoked an ugly complication, which will require years of intelligent and delicate handling to adjust.

"Nothing can be done," he argued, "by compulsion or tariff threats to provide wood for the American paper industry. That day has passed. Canada controls the pulpwood supply. Its authorities insist that they be dealt with upon a reasonable basis."

Duluth-Superior has declared the regular quarterly dividend of 1 per cent. on the common stock, payable July 2nd to shareholders of record June 21st. This is a reduction of 1 per cent. per annum.

The pulp and paper industry of British Columbia issued manufactured products to the value of $1,250,000 last year, and the output this year is estimated at $3,250,000. Between $12,000,000 and $15,000,000 is invested in the industry.

A Dominion license has been granted to the London and Lancashire Guarantee and Accident Company of Canada for the transaction of the business of automobile insurance, in addition to guarantee, accident, sickness and plate glass insurance for which it is already licensed. Mr. Alexander MacLean, Toronto, is the company's chief agent.

PLEADS FOR CURRENCY REFORM

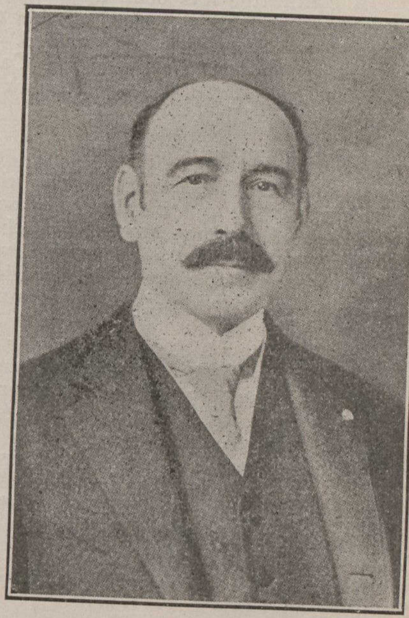
President Pugsley, of New York State Bankers' Association, Wants a Better Monetary System

An eloquent address was delivered by the Hon. Cornelius A. Pugsley, president of the New York State Bankers' Association, at the opening session of the convention of the association at Ottawa this week, held in commemoration of a hundred years of peace between the English-speaking peoples. The close neighborliness and friendship engendered by this century of peace and good will which has "thriven and ripened in vast trade, in common prosperity and in growing esteem," was discussed by him at some length.

Capital and Labor.

Coming to business matters, Mr. Pugsley said:—

"Within the boundaries of our great countries great railway systems demand just and equitable consideration, if they are to meet the requirements of a rapidly developing continent. Capital and labor must joint forces for the public weal. Every legitimate enterprise and industry, honestly conducted, should receive the sustaining influence of our governments, not their condemnation. Canada is to be congratulated upon an admirable currency system, while in the United States currency reform is a question of vital import now waiting and pressing for solution.



CORNELIUS A. PUGSLEY,
President, New York State Bankers' Association, Which Met At Ottawa this Week

"A sound, stable and responsive currency is one of the great bulwarks of national glory, greatness and power, and one of inestimable value to its business interests. It is the life blood of a nation's commerce and prosperity. It concerns so closely not only the banker, but the manufacturer, the merchant, the farmer, the wage earner and all classes of our citizens, that no measure should be enacted into law unless it shall be the expression and the result of the most painstaking study, calm deliberation and the mature judgment of men qualified and equipped to deal with so great a financial and economic problem.

Currency Reform and Politics.

"I believe that any measure or measures considered by our present Congress should receive intelligent thought, study and discussion by men of all political parties if we are to evolve an ideal currency system. Currency reform should rise above political or party expediency. It should not be made the football of politics. I believe that the financial, commercial, and all other interests of the United States will consistently and conservatively press onward towards the attainment of a monetary system that shall command what the currency system of Canada commands, and which our own country in other particulars enjoys, the respect, the confidence and the admiration of the world."

The new Canadian Pacific trans-Pacific liner "Empress of Russia," tied up at Vancouver the other day, is the largest vessel ever berthed in that port.