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The Pulp and Paper Industry

Canadian Paper Trade Conditions

The Pulp and Paper Magazine of Canada prints the following review of conditions for the week in paper trade:

"The average sales manager for the big paper dealers in Canada these days opens his morning mail in fear and trembling lest some of it will contain orders for paper to add to his existing troubles in catching up with orders already a month or two behind. The paper firms are not looking for orders—what they want is paper—and paper is about the scarcest commodity there is in Canada to-day. Not that the mills are not making it. They are turning it as fast as their machines running night and day will permit. But the demand is great. In practically every line of paper there is a serious shortage of production, with the possible exception of bookprint, and the publishers are not unanimous in agreeing with the opinion expressed by the Paper Controller that there is no shortage there. Generally speaking, however, the fact remains that at no period in the history of the paper trade in Canada has the scarcity of paper been so acutely felt and no immediate prospect of relief. Indeed paper dealers and manufacturers freely predict that there will be no ease-off in the situation for two or three months at least. Not only is the shortage likely to continue, but, according to one firm in Toronto, which is engaged in supplying pulpwood to the pulp mills, groundwood pulp is going to advance in price. It is reasoned that as lumber is soaring in price there is going to be more lumber taken out of the woods than pulpwood, to the detriment of pulpwood production, which may mean that the present high prices prevailing for paper may correspondingly ascend. It is worthy of note, however, that during the past two or three weeks the deliveries of wood to the pulp mills has increased owing to the better facilities afforded by the snow and consequently better sleighing, for getting the wood out. But it is predicted that with big money being made out of lumber the production of woodpulp is

bound to suffer, temporarily, at least.

"There is not only a serious shortage of newsprint paper in the West where there is a row over the failure of the Fort Frances Company to make the required shipments for home consumption in accordance with the order of the Paper Controller, but in Ontario many of the papers are feeling the pinch. Several daily papers have appeared in reduced size owing to the scarcity of paper and the mills have been put to their wit's ends to keep up the supplies to both daily and weekly papers. The criticism by the manufacturers is frequently heard that the publishers do not show a very great disposition to conserve and economise and one paper man commented on the reluctance of the publishers either to curtail their use of paper or to increase the price of their commodity in keeping with other items on the high cost-of-living scale. In regard to the latter suggestion, however, it is pointed out on behalf of the publishers, that with the satisfactory revenue coming in from increased advertising they would not be justified in raising their subscription rates. Indeed they would rather give a good deal more for the money in the way of enlarged papers if they could only get the paper stock. In the meantime the volume of advertising keeps up and the comic pages continue to regale the Sunday readers—which is all right for the readers and the publishers—but it is eating up a whole lot of newsprint paper which is a very scarce article these days.

"In high grade bonds there is a scarcity and it is predicted that they will take another jump. Rag stock is hard to get and what is obtainable commands a high price. The rag market generally is firm and groundwood pulp is exceedingly tight. In line with the pretty general advance in papers the patent insides supplied the weekly papers have gone up 2 cents per quire owing to the scarcity and high price of paper and the weekly publisher is now paying on an average of 20 cents per quire for his patent pages."

The Conservation of Canada's Pulp

Canada's wise policy of benefitting by the home manufacture of her natural resources is exemplified notably in the pulp and paper industry. In 1908, according to government statistics, only 36 per cent of Canada's pulpwood cut was manufactured in the Dominion, whereas 64 per cent was exported raw. In 1917, over 70 per cent was manufactured in Canada, less than 30 per cent being exported in a raw state.

Ten years ago, the number of employees in the pulp and paper industry of Canada was about 9,000. The number of employees at present is estimated at 25,000, and the annual wage bill at \$20,500,000. The exports alone for the past fiscal year from this industry are around \$100,000,000. About 90 per cent of the newsprint manufactured in Canada is exported. More than one-third of the newsprint used in the United States is of Canadian manufacture.

Prospective increases in the capacity of Canadian plants will bring the production of newsprint during the coming year, on a conservative estimate, to a total of 850,000 tons.

The importance of all this in the maintenance and development of the economic structure of Canada can scarcely be over-emphasized. Obviously, it would be the poorest kind of public policy for the respective provincial governments to relax the existing embargoes upon the export of raw pulpwood cut from Crown lands. Such a

course would inevitably mean reducing the supplies of raw material available for Canadian mills, as well as the more rapid depletion of our pulpwood forests, resulting in their comparative exhaustion within a measurable period of time. About 1,000,000 cords of pulpwood is now exported in a raw state, all cut from lands in private ownership. Practically all of this goes to the United States.

The phenomenal growth and development of the pulp and paper industry in Canada serves strongly to emphasize the urgent need for the perpetuation of our great pulpwood forests, in order that this great industry may be permanent instead of merely transitory, as has proved to be the case in the greater portion of the eastern United States. There fire protection has been wholly inadequate and logging methods have been destructive, seeking, for the most part, the greatest immediate profit, without any conscious attempt to regulate methods of logging as to leave the cut-over area in a condition to produce another crop.

Fortunately, in Canada, the great bulk of the forests are in public ownership, and the public, as a whole, can afford to take thought for the distant future. The increasing employment of trained foresters by Government services, as well as by pulp and paper companies, offers distinct encouragement for the future.