

reflected severe economic problems in the case of many newspapers. The New York City case history vividly illustrates the current economic malady which has caused a change in identity and size of newspapers. Between 1960 and 1967 in New York City, four Manhattan metropolitan dailies suspended publication. The numerical count of daily newspapers may remain about the same but the suspension and merger of many metropolitan dailies has been a loss to the American people.

An increase in the cost of newsprint would have its greatest adverse impact on the metropolitan dailies with their large circulation and multiple daily editions. These newspapers are the largest consumers of newsprint, and furthermore, newsprint represents a larger proportion of total operating cost for these newspapers than for smaller dailies.

An increase in the cost of newsprint would also make more difficult the already difficult problem of founding new newspapers, of creating new voices for political discussion and interchange of ideas.

Newspapers, as a matter of necessary business practice, will pass as much of any increased cost in newsprint to the advertiser a competition will permit. The intense competition among the various communications media is reflected in the fact that the share of the total advertising dollar spent on daily newspaper advertising has shrunk from 33.6% in 1955 to 29.0% in 1967. The intense competition from other media seriously limits the ability of newspapers to raise their advertising rates.

BALANCE OF PAYMENTS

A tariff or a border tax on newsprint would not improve the United States balance of payments problem because a tax could not significantly reduce the demand for imported newsprint.

During the past decade, America's total consumption of newsprint has steadily increased from 6.6 million tons of newsprint in 1958 to approximately 9.25 million tons in 1968. This trend points toward increased American consumption of newsprint. During the past decade, Canada has annually supplied approximately 70 per cent of the newsprint consumed in the United States.⁵ The twin factors of America's need for newsprint and Canada's supply of pulp wood and production capacity indicate that the consumption of Canadian newsprint in the United States will not decrease, but in all probability will increase in the future.

Because American woodlands are limited, American newspapers cannot significantly reduce their imports of Canadian newsprint in favor of using American newsprint. A tariff or a border tax would not therefore, reduce U.S. imports or improve the national balance of payments.

Congress has accorded duty-free status to many imported commodities in addition to standard newsprint paper in recognition of the economic needs of American users and the economic benefits to American businesses. The adverse economic effects of abolition of duty-free status would be far reaching and far outweigh any short-term alleviation of the balance of payments.

The ANPA respectfully requests continued recognition of the duty-free status of standard newsprint paper and other similarly situated commodities.

STATEMENT OF J. MASON MEYER, EXECUTIVE SECRETARY, AMERICAN HARDBOARD ASSOCIATION

The American Hardboard Association, a non-profit organization of domestic hardboard producers, welcomes this opportunity to express its views on U.S.

⁵ Since 1957, consumption of newsprint by the United States and supply of newsprint by Canada have varied according to the following table:

(In tons of newsprint)		
Year	U.S. consumption	Canadian shipment
1957	6,820	5,055
1958	6,600	4,827
1959	7,104	5,118
1960	7,376	5,279
1961	7,330	5,227
1962	7,486	5,229
1963	7,547	5,180
1964	8,042	5,648
1965	8,460	6,093
1966	9,077	6,610
1967	9,149	6,263