

of their spruce and balsam logs to pulp-mills. So far as operations in the woods are concerned, it is often impossible to state whether the timber being cut will eventually be made into lumber or pulpwood.

On account of legislation already referred to, pulpwood cut on Crown lands in every province but Nova Scotia must be manufactured into pulp in Canadian pulp-mills. Pulpwood cut on lands held in fee simple may be exported; a large proportion of it is sent to the United States. Raw or unmanufactured pulpwood has therefore a definite market value. Table 7 shows the annual production of this commodity from 1908 to 1926, together with the quantities used by Canadian pulp-mills and the quantities exported.

7.—Production, Consumption and Export of Pulpwood, calendar years 1908-1926.

Years.	Total Production of Pulpwood.			Used in Canadian Pulp-mills.		Exported Unmanufactured.	
	Quantity.	Total value.	Average value per cord.	Quantity.	Per cent of total production.	Quantity.	Per cent of total production.
	cords.	\$	\$	cords.	p.c.	cords.	p.c.
1908.....	1,325,085	7,732,055	5.84	482,777	36.4	842,308	63.6
1909.....	1,557,753	9,316,610	5.98	622,129	39.9	935,624	60.1
1910.....	1,541,828	9,795,196	6.35	598,487	38.8	943,141	61.2
1911.....	1,520,227	9,678,616	6.37	672,288	44.2	847,939	55.8
1912.....	1,846,910	11,911,415	6.46	866,042	46.8	980,868	53.2
1913.....	2,144,064	14,313,939	6.67	1,109,034	51.7	1,035,030	48.3
1914.....	2,196,884	14,770,358	6.72	1,224,376	55.7	972,508	44.3
1915.....	2,355,550	15,580,330	6.61	1,405,830	59.7	949,714	40.3
1916.....	2,833,119	19,871,127	7.05	1,764,912	62.3	1,066,207	37.7
1917.....	3,122,179	26,789,905	8.56	2,104,334	67.4	1,017,845	32.6
1918.....	3,560,280	37,886,259	10.64	2,210,744	62.1	1,349,536	37.9
1919.....	3,493,931	41,941,267	11.99	2,428,706	69.4	1,070,275	30.6
1920.....	4,024,826	61,183,060	15.22	2,777,422	69.0	1,247,404	31.0
1921.....	3,273,131	52,900,872	16.16	2,180,578	66.6	1,092,553	33.4
1922.....	3,923,940	50,735,361	12.93	2,912,608	74.2	1,011,332	25.8
1923.....	4,654,663	57,119,596	12.27	3,270,433	70.3	1,384,230	29.7
1924.....	4,647,201	57,777,640	12.43	3,316,951	71.4	1,330,250	28.6
1925.....	5,092,461	62,181,537	12.23	3,668,959	72.0	1,423,502	28.0
1926.....	5,621,305	68,100,303	12.14	4,229,567	75.2	1,391,738	24.8

Since 1902 the exports of raw pulpwood have gone exclusively to the United States and have amounted annually to about 1,000,000 cords. The exportation of raw pulpwood, as shown in the accompanying table, has increased but little since 1912, while the quantity consumed in Canadian pulp-mills has increased more than fourfold during the same period. In 1908, almost two-thirds of the pulpwood cut in Canada was exported in the raw or unmanufactured form. In 1926, with an increase of over 300 p.c. in total production, the proportion exported has fallen to less than one-fourth.

The manufacture of pulp forms the second stage in this industry. This is carried on by mills producing pulp alone and also by paper manufacturers operating pulp-mills in conjunction with paper-mills for the purpose of providing their own raw material. Such mills usually manufacture a surplus of pulp for sale in Canada or for export.

The supply of rags for paper making is distinctly limited and the material too expensive for the manufacture of cheap paper. Early paper makers experimented with fibres from the stems, leaves and other parts of numerous annual plants, but