

a whole but cannot be separated from woods operations carried on in connection with sawmills and other industries. If the \$9,359,592 worth of exported pulpwood be taken into consideration, the gross total contribution of the pulp and paper industry toward a favourable trade balance for Canada in 1931 amounted to \$139,844,299, representing the difference between exports and imports of pulpwood, pulp, paper and paper products.

The United States market absorbs annually all of Canada's pulpwood exports, about 79 p.c. of her pulp and 85 p.c. of her paper shipments. The remainder goes to the United Kingdom and other widely distributed overseas markets. About half of the paper consumed in the United States is either of Canadian manufacture or is made from wood or wood-pulp imported from Canada.

Subsection 3.—The Lumber Industry.

The manufacture of lumber, lath, shingles and other products of the sawmill is the second most important industry in Canada depending on the forest for its raw materials. Annual statistics covering this and other forest industries were collected and published by the Forest Service of the Department of the Interior from 1908 to 1916, since when the work has been carried on by the Dominion Bureau of Statistics, in co-operation with the Forest Service.

The production of sawn lumber in Canada in 1920 reached a total of over four billion feet board measure, the highest cut recorded since 1912. Owing to the subsequent depression the production of lumber in 1921 decreased by over a third and the average value by over \$10 a thousand feet. Since that year there have been annual increases in cut for Canada as a whole except in 1927, 1930 and 1931. British Columbia now produces over half the total. Table 13 gives the production of lumber, lath and shingles in each year from 1920 to 1931; comparable figures for 1908 to 1919 inclusive are given at p. 300 of the 1931 Year Book.

13.—Quantities and Values of Lumber, Lath and Shingles Produced in Canada, calendar years 1920-31.

Year.	Lumber Cut.		Shingles Cut.		Lath Cut.	
	Quantity.	Value.	Quantity.	Value.	Quantity.	Value.
	M ft. b.m.	\$	M	\$	M	\$
1920	4,298,804	168,171,987	2,855,706	14,695,159	762,031	5,248,879
1921	2,869,307	82,448,585	2,986,580	10,727,096	804,449	4,188,121
1922	3,138,598	84,554,172	2,506,956	10,397,080	1,031,420	5,660,328
1923	3,728,445	108,290,542	2,718,650	9,617,114	1,153,735	6,324,747
1924	3,878,942	104,444,622	3,129,501	10,406,293	1,165,819	5,975,253
1925	3,888,920	99,725,519	3,156,261	11,154,773	1,292,963	6,415,927
1926	4,185,140	101,071,260	3,299,397	10,521,723	1,378,366	6,527,060
1927	4,098,081	97,508,786	2,837,281	8,716,085	1,322,665	5,608,396
1928	4,337,253	103,590,035	2,865,994	10,321,341	1,138,417	4,802,616
1929	4,741,941	113,349,886	2,707,235	9,423,363	835,799	2,860,799
1930	3,980,421	87,710,957	1,914,836	5,388,837	398,254	1,154,593
1931	2,497,553	46,136,340	1,453,277	3,331,229	228,060	576,060

The total number of sawmills, tie, shingle, lath, veneer, stave, heading and hoop mills, and mills for cutting-up and barking or rossing of pulpwood operating in 1931 was 3,562, as compared with 3,531 in 1930. The capital invested in these mills in 1931 was \$121,336,176, the employees numbered 22,361 and their wages and salaries amounted to \$16,409,674. The logs, bolts and other raw materials of the industry were valued at \$37,379,034 and the gross value of production was \$62,927,750. The net production, or the value added by manufacture, in 1931 was \$25,548,716.