for forest planting and larger trees for ornamental purposes. The capacity of the nursery is about 10,000,000 trees. Provision is made by legislation for the creation of communal forests and there are now 76 of these, covering 594,059 acres.

Section 6.—Forest Utilization.*

Historical.—The forest has always played a large part in the life of the pioneer in Eastern Canada, providing him with building material and fuel but opposing his agricultural efforts. The material removed in clearing the first fields was usually more than sufficient for his needs, and in many cases what would now be considered valuable timber was burned by the early settler. Local trade in lumber began in New France shortly after 1650. The first attempts at forest conservation took the form of setting aside areas of timber for the use of the navy, and the first exports were of shipbuilding material and spars. Sawmills were established along the St. Lawrence before the close of the seventeenth century. While there was no recorded transatlantic trade in forest products other than naval supplies, shipments of lumber and staves were made to the French West Indies during the French régime. Shipbuilding became an important local industry and gave rise to considerable forest exploitation.

Transatlantic trade began to develop after the Conquest, stimulated by bounties and tariff privileges granted with the object of reducing England's dependence on Baltic supplies, especially in connection with naval material. This trade, however, did not develop satisfactorily until the beginning of the nineteenth century, when Napoleon succeeded in interfering seriously with British imports of wood from the Baltic. The export of timber from Canada increased enormously, and the square-timber trade in white pine and oak spread from the St. Lawrence and Richelieu valleys to lake Champlain and Upper Canada, especially the Ottawa valley. This trade reached its height in the '60's and has steadily declined since that time.

Sawmilling on a large scale followed the square-timber trade and the establishment of small custom mills followed in the wake of the settler. The building of wooden ships in the St. Lawrence valley and the Maritime Provinces developed hand in hand with the lumber industry, providing a local demand for timber and a means of exporting it overseas. The British preferences were reduced and finally abolished about 1860.

The export trade in sawn lumber to the United States developed from 1820 to 1830 and gradually replaced the more wasteful overseas square-timber trade, but it was not until after Confederation that the export of sawn lumber by sea exceeded that of square timber.

Encouraged by the free entry of raw materials into the United States, an important trade developed, especially in Ontario, in the exportation of sawlogs to be sawn into lumber in United States mills. The Provincial Government prohibited the exportation of this material, when cut on Crown lands, about 1900 and effectively checked this economic loss. Similar legislation has since been passed by the Dominion and the other Provincial Governments and has been extended to pulpwood and other raw or unmanufactured forest products.

The lumber industry which began in Quebec and New Brunswick and extended into Upper Canada has since moved gradually through southern Ontario, along the upper Ottawa and its tributaries, around Georgian bay into northern Ontario and through the Lake of the Woods and Rainy River districts. It is still an important

^{*}An article on "The History of the Canadian Lumber Trade", by A. R. M. Lower, M.A., appears at pp. 318-323 of the 1925 edition of the Canada Year Book.