

Statistics of the Combined Pulp and Paper Industries.*—The manufacture of pulp, the manufacture of paper and the manufacture of products made of paper may, under certain conditions, be treated as three industries as they are frequently carried on in separate plants by entirely independent companies. For some time, however, it has been the practice of many Canadian concerns to combine the manufacture of pulp and paper in one complete establishment. In more recent years there has been a further tendency to combine in one plant the manufacture of basic stock and the converting of this paper into towels, stationery and other highly processed paper products. In some cases, what might otherwise be considered as three distinct industries, are carried on in one plant as three steps in the production of the finished paper article. This further converting of paper within the pulp and paper industry itself represents only a small part of Canada's production of converted paper and boards, the bulk of which is still made in special converting mills classified in other industrial groups.

The presence of these different combinations in one mill makes it impossible to separate many of the statistics relating to the manufacture of pulp, basic paper, and converted paper products. Including manufacturing operations as far as the paper-making stage, there were altogether 93 mills in operation in 1936. The capital invested amounted to \$539,350,001, the employees numbered 30,054 and their salaries and wages amounted to \$40,063,852. If we disregard the pulp made for their own use in combined pulp and paper mills and the basic paper made for their own use in combined paper and paper-converting mills, we can consider the total of materials and supplies used in the industry as a whole as amounting to \$72,202,983 in 1936 and \$57,995,037 in 1935 and the gross value of production as \$188,144,603 in 1936 as compared to \$162,651,282 in 1935. The net† value of production amounted to \$87,150,666 in 1936 and to \$81,973,352 in 1935.

The pulp and paper industry, one of the leading single manufacturing industries in Canada, has been first in wages and salaries paid since 1922, when it first exceeded the sawmills. It was the leading industry in gross value of production from 1925, when it replaced the flour-mills, until 1935 when it was overtaken by non-ferrous smelting and refining. It has been second to central electric stations in net value of production and capital for some years. Only the manufacturing stages of the industry are considered in these comparisons, no allowance being made for capital invested, men employed, wages paid or primary products sold in connection with the woods operations. These form an important part of the industry as a whole but cannot be separated from woods operations carried on in connection with sawmills and other industries. If the \$8,276,423 worth of exported pulpwood be taken into consideration, the gross total contribution of the pulp and paper industry toward Canada's excess of exports over imports in 1936 amounted to \$143,008,660, representing the difference between exports and imports of pulpwood, pulp, paper, and paper products.

The United States market absorbs annually all but a very small part of Canada's pulpwood exports, about 85 p.c. of her pulp and 77 p.c. of her paper shipments. 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.

* See Chapter XIV—Manufactures—for further particulars regarding the pulp and paper and paper-converting industry.

† This is the net value of production as calculated for years since 1934. It is obtained by deducting cost of power, fuel, and consumable supplies, as well as cost of materials, from gross value of production.