

Subsection 2.—The Pulp and Paper Industry

The rapid development of this industry in Canada is briefly traced at p. 198 of the 1940 Year Book. Summary statistics for the combined pulp and paper industry are given at pp. 245-246.

There are three classes of mills in the industry. These, in 1940, numbered 27 mills making pulp only, 49 combined pulp and paper mills and 27 mills making paper only.

The industry in Canada includes three forms of industrial activity, the operations in the woods with pulpwood as a product, the manufacture of pulp and the manufacture of paper. Some of the important pulp companies operate sawmills to utilize the larger timber on their limits to the best advantage, and some lumber manufacturers divert a proportion of their spruce and balsam logs to pulp-mills. In all provinces except Nova Scotia, pulpwood cut from Crown lands must be manufactured into pulp in Canadian mills unless a special permit to export is obtained. A large proportion of the pulpwood cut in Canada for export to the United States is taken from private lands. In 1908 almost two-thirds of the pulpwood cut in Canada was exported in the raw or unmanufactured form, but by 1940 the proportion had declined to less than one-fifth.

7.—Production, Consumption, Exports and Imports of Pulpwood, 1930-49

NOTE.—Figures for earlier years will be found in the corresponding table of previous Year Books. Figures of imports and exports are shown on a rough or unpeeled basis, and are not comparable with those shown in Tables 16 and 17 of the External Trade Chapter.

Year	Apparent Total Production of Pulpwood in Canada			Canadian Pulpwood Used in Canadian Pulp-Mills		Canadian Pulpwood Exported Unmanufactured ¹		Imported Pulpwood Used in Canada	
	Quantity ²	Total Value	Average Value per Cord	Quantity ²	P.C. of Total Production	Quantity ²	P.C. of Total Production	Quantity ²	P.C. of Total Production
	cords	\$	\$	cords		cords		cords	
1930....	5,977,183	67,529,622	11.30	4,646,717	77.7	1,330,466	22.3	94,632	1.6
1931....	5,046,291	51,973,243	10.30	4,088,988	81.0	957,303	19.0	59,291	1.4
1932....	4,222,224	36,750,910	8.70	3,602,100	85.3	620,124	14.7	45,654	1.1
1933....	4,746,383	33,213,973	7.00	4,027,827	84.9	718,556	15.1	17,049	0.4
1934....	5,773,970	38,302,807	6.63	4,752,685	82.3	1,021,285	17.7	13,919	0.2
1935....	6,095,016	41,195,871	6.76	4,985,143	81.8	1,109,873	18.2	19,940	0.3
1936....	7,002,057	48,680,200	6.95	5,766,303	82.3	1,235,754	17.6	9,591	0.1
1937....	8,298,165	63,057,205	7.60	6,593,134	79.5	1,705,031	20.5	20,505	0.2
1938....	6,438,344	53,761,999	8.35	4,686,085	72.8	1,752,259	27.2	33,668	0.5
1939....	6,899,986	58,302,668	8.45	5,360,546	77.7 ³	1,539,440	22.3	25,694	0.4
1940....	8,499,922	74,347,132	8.75	6,948,493	81.7	1,551,429	18.3	47,626	0.6

¹ Exports of pulpwood in the calendar year 1941 were 1,856,392 rough cords.

² All quantities are given in terms of rough or unpeeled wood.

³ Revised since the publication of the 1941 Year Book.

The manufacture of pulp is 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 to provide 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. Different species of wood were tried,