

of Canada's extensive pulpwood and hydro-electric power resources, together with an ever-increasing demand for pulp and paper, have been mainly responsible for the growth of the industry.

The first Canadian paper mill was located at St. Andrews in Lower Canada and began to produce in 1805. By 1851 there were five mills in Upper and Lower Canada. The first chemical wood-pulp was produced in a soda pulp mill at Windsor Mills, Quebec, in 1864. By 1881 there were 35 paper mills and five pulp mills in Canada with a total of 1,586 employees and an annual output valued at \$2,500,000. The growth of the industry continued at an accelerated pace and from 1900 to 1920 the value of production of the pulp and paper mills increased thirty-fold. After weathering the depression years at a low production level, the pulp and paper industry was again at a 95 p.c. production capacity in 1938. The heightened demand during the War and post-war period added impetus to expansion of the industry, until in 1950 there were 123 pulp and paper establishments in Canada producing 8,473,014 tons of wood-pulp, valued at \$502,583,925 and 428,461 tons of pulp made from rags, straw and other fibres, valued at \$13,073,199. Paper production totalled 6,812,035 tons valued at \$710,153,826. The gross value of production of the mills in 1950 was \$954,137,651, and in 1951 it totalled approximately \$1,200,000,000.

Woods Operations.—Vast forest resources and abundant sources of power, together with the low cost of transporting logs to the mills by a broad network of rivers and streams, have brought about the rapid development of the pulp and paper industry. This industry is the largest tenant of the forest, holding 158,125 sq. miles in 1951 or almost 33 p.c. of the accessible productive forest area of Canada. The industry also owns some timber lands outright, but these remain a minor factor in pulpwood supply.

The pulpwood consumption of the mills in 1950 amounted to some 11,000,000 cords of which 67 p.c. was cut on the leased or freehold limits of the industry. The remaining 33 p.c. of the wood was purchased. Two-thirds of the purchased wood came from farmers and other small holdings.

1.—Production, Consumption, Exports and Imports of Pulpwood, 1941-50

NOTE.—Figures for earlier years will be found in the corresponding tables of previous Year Books.

Year	Apparent Total Production of Pulpwood in Canada			Canadian Pulpwood Used in Canadian Pulp-Mills		Canadian Pulpwood Exported Unmanufactured		Imported Pulpwood Used in Canada	
	Quantity ¹	Total Value	Average Value per Cord	Quantity ¹	P.C. of Total Production	Quantity ¹	P.C. of Total Production	Quantity ¹	P.C. of Total Consumption
	cords	\$	\$	cords		cords		cords	
1941..	9,544,699	88,193,045	9.24	7,688,307	80.6	1,856,392	19.4	81	--
1942..	9,653,574	103,619,151	10.73	7,665,724	79.4	1,987,850	20.6	1,714	--
1943..	8,801,368	110,844,790	12.59	7,260,776	82.5	1,540,592	17.5	2,379	--
1944..	8,668,566	124,363,926	14.35	7,169,430	82.7	1,499,136	17.3	8,209	0.1
1945..	9,145,673	146,172,701	15.98	7,474,375	81.7	1,671,298	18.3	4,133	--
1946..	10,523,256	183,085,359	17.40	8,667,375	82.4	1,855,381	17.6	16,881	0.2
1947..	11,481,522	237,488,741	20.65	9,500,542	82.7	1,983,980	17.3	50,508	0.5
1948..	12,497,926	284,656,819	22.78	10,180,580	81.5	2,317,346	18.5	75,969	0.7
1949 ² .	11,850,254	270,697,980	22.84	10,237,976	86.4	1,612,278	13.6	5,491	--
1950 ² .	12,873,476	285,762,620	22.20	11,138,578	86.5	1,734,898	13.5	28,220	0.3

¹ Given in terms of rough or unpeeled wood.

² Includes Newfoundland.