

Subsection 3.—The Pulp and Paper Industry

The manufacture of pulp and paper has been the leading industry in Canada for many years and the postwar development of the industry has more than kept pace with the vast industrial growth of the nation. Pulp and paper stands first among all industries in net value of shipments, in exports, in total wages paid and in capital invested. It is the largest consumer of electric energy and the largest industrial buyer of goods and services, including transportation, in the land. The industry has a newsprint output more than three times that of any other country and provides about 45 p.c. of the world's newsprint needs.

There are three classes of mills in the industry. In 1960, 26 were making pulp only, 26 were making paper only and 76 were combined pulp and paper mills.

The industry includes several forms of industrial activity: operations in the woods with pulpwood as a product, the manufacture of pulp and paper of all kinds, and the manufacture of paperboards. 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 portion of their spruce and balsam logs to pulp mills. Only a small percentage of the pulpwood cut in Canada is exported in raw or unmanufactured form.

15.—Production, Consumption, Exports and Imports of Pulpwood, 1951-60

Year	Production of Pulpwood in Canada ¹			Canadian Pulpwood Used in Canadian Mills ¹	Canadian Pulpwood Exported Unmanufactured	Imported Pulpwood Used in Canada
	Quantity	Value	Average Value per Cord			
	cords	\$	\$	cords	cords	cords
1951.....	18,151,853	416,196,281	22.93	12,587,792	2,893,615	46,634
1952.....	14,755,089	346,802,085	23.50	11,960,014	2,529,353	31,060
1953.....	13,545,181	309,011,150	22.81	12,060,853	1,783,657	48,805
1954.....	14,739,571	323,800,478	21.97	12,875,978	1,826,193	105,030
1955.....	16,087,951	369,476,288	22.97	13,494,496	1,882,784	134,917
1956.....	17,469,334	419,470,968	24.01	13,843,711	1,953,470	188,144
1957.....	14,967,604	340,255,102	22.73	13,187,474	1,800,411	179,614
1958.....	12,759,136	275,153,906	21.57	12,477,330	1,286,314	146,835
1959.....	14,357,139	320,244,307	22.31	13,887,285	1,107,486	147,766
1960.....	13,997,080	311,579,147	22.26	13,888,347	1,151,899	227,649

¹ Given in terms of rough or unpeeled wood.

Pulp Production.—The manufacture of pulp, the second stage in this industry, is carried on by mills producing pulp only 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. Spruce, supplemented by balsam fir in the east and by hemlock in the west, is the most suitable species for the production of all but the best types of paper.

The preliminary preparation of pulpwood is most commonly carried on at the pulp mill although there are a number of rossing mills operating on an independent basis, chiefly for the purpose of saving freight on material cut at a distance from the mill or on material intended for export. Pulpwood is commonly measured by the cord (4' by 4' by 8' of piled material). One cord of rough pulpwood contains approximately 85 cu. feet of solid wood, and one cord of peeled pulpwood 95 cu. feet.

The manufacture of 11,461,489 tons of pulp produced in 1960 entailed the use of 14,115,996 cords of rough pulpwood valued at \$361,858,672 and the equivalent of 1,786,257 rough cords of other wood (i.e., sawmill chips, slabs and edgings, sawdust, butts, cores, etc.) valued at \$31,091,512. The total value of materials used in the manufacture of pulp was \$479,677,329.