

three times that of any other country and provides over 41 p.c. of the world's newsprint needs. Among Canada's exports, the value of newsprint is larger than that of any other single commodity, the United States absorbing 87 p.c. (1963).

There are three classes of mills in the industry; in 1963, 28 were making pulp only, 24 were making paper only and 74 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.

Some plants that are included in the pulp and paper industry also convert paper into stationery and other processed paper products, but this conversion within the pulp and paper industry represents only a small part of Canada's production of converted papers and boards, the bulk of which is made in special converting mills classified in other industrial groups. Principal statistics of these industries are given in Chapter XVI on Manufactures.

13.—Production, Consumption, Exports and Imports of Pulpwood, 1957-63

Year	Production ¹	Pulpwood Used in Canadian Mills ¹	Exports	Imports
	'000 cords	'000 cords	'000 cords	'000 cords
1957.....	14,968	13,367	1,800	180
1958.....	12,759	12,624	1,286	147
1959.....	14,357	13,535	1,107	148
1960.....	13,997	14,116	1,152	228
1961.....	15,474	14,437	1,151	207
1962.....	14,624	14,883	1,225	150
1963.....	15,547 ^a	14,982	1,113	130

¹ Given in terms of rough or unpeeled wood; not including wood residue.

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 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 the 12,474,107 tons of pulp produced in 1963 entailed the use of 14,982,487 cords of rough pulpwood and the equivalent of 2,947,060 rough cords of other wood (i.e., sawmill chips, slabs and edgings, sawdust, butts, cores, etc.).