

PROVINCE OF ONTARIO

<i>Estimate of Pulpwood Areas.</i>		<i>Cords.</i>
Nipissing.....		20 000 000
Algoma.....		100 000 000
Thunder Bay.....		150 000 000
Rainy River.....		18 000 000
		288 000 000

Taking this quantity of pulpwood at the present rate of dues, viz., 40 cents per cord, Ontario has an asset of \$115,200,000.

Vast as the pine timber industry in Ontario has been, and despite its great value in adding to the wealth of the Province and assisting in supporting its industrial life, these immense forests of spruce are equally important, in fact are likely to be of even greater value than the pine resources.

The Pulpwood Industry. While there is considerable spruce large enough to make sawn lumber, great forests of this tree stand so thick on the ground as to prevent large growth and much of it is mainly valuable for wood pulp. These forests, if thinned out, would, of course, grow to a size suitable for saw log purposes, but the growing demand for spruce for the manufacture of paper renders the tree very valuable, even when of small size. Because of this, spruce may be cut in from 20 to 30 years from the seed, and therefore two crops of spruce can be harvested to one of pine. By reason of this natural law of reproduction, Ontario's pulpwood forests cannot be exhausted by gradual utilization.

The Recent Growth of the Industry. The wood pulp industry is of comparatively recent growth but is increasing rapidly. Owing to the nature of the industry, the large capital required in its development, and the fact that pulpwood grows in a more scattered form than pine, it was early seen that the method of disposing of the pine timber would not be applicable in this case. The pine timber is sold to the highest bidder at public auction and the license issued for one year only, renewable till such time as the timber has been removed from the land. Very little capital was required except in the purchase of the timber. In the pulp industry the conditions are entirely different. It was in the first place important to the industry and general welfare of the Province that the pulpwood should not be sold and exported from the country in its raw condition. In order to manufacture it into pulp, large buildings with expensive equipment are needed, requiring enormous power, and in order to warrant so extensive an investment, the capitalists would naturally require for a long term of years a reasonable guarantee of a supply of wood necessary for the continuance of the industry. The policy of the Government therefore has been to grant concessions over a limited territory containing spruce and kindred woods, for a term of years—usually twenty-one - on condition that the capitalists expend a certain amount