

a hardship; but, after all, that hardship exists more in the imagination of those opposed to it than in the facts.

We have now a very large number of mills established in Canada making pulp and paper. The amount of pulp in sight for those mills is not nearly as great as their circulars advertising their stock and bonds for sale would indicate, and many of them will have to look to privately-owned lands to keep their operations going. Therefore there will be a market for the pulpwood cut on privately-owned lands, and where a cord of pulpwood brings \$10, \$12 or \$16 a cord after it is put on the cars, it would mean \$60 or \$75 to the people of Canada if it were manufactured into pulp and paper in the Dominion. It is time we used our own resources in our own country, and stopped exporting them to our neighbours across the border. As long as we give them our pulpwood, they will take it; but I say, let us manufacture it in our own country and get the full benefit.

Hon. IRVING R. TODD: I am sorry I cannot agree with my colleague from New Brunswick (Hon. Mr. Black). I know that what he says about there being a number of pulp and paper mills in New Brunswick and none in Nova Scotia is true. The reason for that is plain. New Brunswick has plenty of water-power, and Nova Scotia has almost none.

I am quite familiar with the pulp and paper business, and I know that you cannot manufacture pulp or paper unless you have large water-power. In New Brunswick we have three paper mills at present, and the bulk of the wood that is going from New Brunswick is from the southern counties. Not one of those mills can afford to buy wood that is being shipped out of the country. If you are going to interfere with farmers' wood, it means that he must sell his wood for \$3 or \$4 a cord less than if sent to the United States, because the wood has to go to Bathurst, Edmundston, and possibly as far as St. John. That is the position as far as the farmer is concerned.

There is a strange thing about this campaign against the export of pulpwood, and that is, that there has been a very vigorous campaign in favour of it in Canada. I know the managers of two or three of the mills of New Brunswick, and they are both opposed to an embargo on the export of pulpwood. The president of one of the largest pulp-mills in Canada voted against this resolution in the other House. The reason is that the pulp and paper business here is in a very prosper-

Hon. Mr. BLACK.

ous condition. They can compete successfully with the American mills if there are no retaliatory measures. Timber-land owners in Canada are not asking for this, certainly, because it is going to diminish the value of their property. The only interest that is going to make a large amount of money by an embargo on the exportation of pulpwood out of Canada is that of the timber-land owners in the United States. I know one large mill in the United States that, on the quiet, is one of the strongest advocates of an embargo on the exportation of pulpwood out of Canada, for the reason that they have surplus wood; for as the price of pulpwood is reduced in Canada by an embargo, just by that amount it would increase in the United States. There is no more reason for prohibiting the exportation of wood than there is for doing so in the case of pulp, because the difference between the labour used in shipping wood and that used in pulp manufacture is not much greater than the difference as between the making of pulp and of paper, and no one advocates the exportation of pulp.

Hon. Mr. BLACK: I do not like to disagree with my colleague and room-mate, the honourable member from Milltown (Hon. Mr. Todd); but of those two mills to which reference is made, one is interlocking in its management and ownership with the pulp interests of the United States, and they would naturally object to have any prohibition, because they are working together. It would be equally reasonable to expect those whose business it has been to export pulp in the raw state to the United States to see only one side of the question. If you listened to the argument of the owners of private timber limits, some would want prohibition, and some would not. I personally being an owner of private timber limits, want to see the export of pulpwood shut off. I am perfectly willing to take the loss if it comes at present, because I believe we shall gain in future.

Hon. Mr. TODD: The companies I mentioned in New Brunswick were two Canadian companies. They may have American capital; I know nothing about that; but they are not interested in any way in the pulp and paper industry on the American side.

Hon. Mr. BEIQUE: I happen to have some experience in that branch of business, and I cannot agree with what the last speaker has said. It is well known that the value of timber limits held by Americans—and there were a great quantity of them—was decreased when the legislation was enacted by the