

and good common sense and industry of the Canadian people, I do think we must give credit to the policies of government which made our present happy position possible.

I make that statement in view of the effect of those policies on the industries in my own province. New Brunswick's forests are her greatest asset, and the production and manufacture of forest products her biggest industry. This brings me to Canada's major forest industry, pulp and paper. Here is a single industry which affects directly the livelihood of about half a million Canadians, and indirectly, through transportation, power, fuel and equipment, several hundred thousand more. In an address by R. M. Fowler, President of the Canadian Pulp and Paper Association, delivered in Montreal on October 20 last, it was pointed out that among Canadian industries pulp and paper stands first in employment, first in total wages paid, first in export values, first in net value of production, and first in capital invested. The sum paid to workers last year totalled \$195 million, divided equally between mill labour and workers in the woods. There are 113 pulp and paper mills scattered across Canada, of which 35 are newsprint mills. Ninety-four per cent of Canadian newsprint is exported, while fine paper, paperboard, wrapping paper, etc., is largely used in the domestic market. In our currency problems no industry has served Canada better in balancing trade and bringing into the country American dollars. Canada's total exports to the United States for the first eight months of this year amounted to \$645 million, of which pulp and paper exports totalled \$293 million, or 45½ per cent, so that out of every commercial American dollar that has come into this country this year the pulp and paper industry has accounted for 45 cents.

Now, the point is that this great industry never in its history has been as prosperous as it is at the present time. With an active demand for its output, and full employment from the stump to the finished product, the pulp and paper machines across Canada are running at full capacity. As further proof of its healthy condition—and these figures are interesting as an indication of what private enterprise is capable of in the matter of labour relations—a comparison of the wages paid in 1939 and in 1947 shows that while \$900 was the lowest wage paid to the mill worker in 1939, the lowest wage in 1947 was 87 cents per hour, or \$2,250 a year, which means that even with the increased cost of living, the worker is much better off in 1947 than he was in 1939.

Hon. Mr. HORNER: Pardon me. That includes wages paid; but a lot of the work is done by contract.

Hon. Mr. BURCHILL: That is just in the mills. I am speaking of the mill-workers.

I want to pass on and say a word now about lumber. From the earliest days the maritime provinces of Nova Scotia and New Brunswick have been shipping lumber to the United Kingdom. The business has long been a very important part of our economy and has been one of the economic bonds which has kept us close to the Mother Country. During the war years, with Scandinavian sources of supply shut off, Britain turned more than ever to Canada for her supplies of wood. I will not attempt to describe how well the lumber industry of Canada responded—both east and west, management and labour—I am only concerned at the moment with present developments. Under the spur of war conditions our lumber production in the Maritimes had very materially increased, and last year amounted to 800 million superficial feet. Of this quantity, 62 per cent was exported, and the balance, 38 per cent, was used in the domestic trade. After the end of hostilities, in order to protect the requirements of the United Kingdom and preserve the pattern of the natural movement of eastern Canadian lumber, the government allowed a free quota to Great Britain of 290 million superficial feet, after which the producer was obliged to sell two cars to the domestic trade in order to secure an export permit for one car. Prices were arranged in bulk with the British Timber Control on our behalf by the Maritime Lumber Bureau, a voluntary organization which has done invaluable work all through the war for the eastern lumber industry. The United Kingdom prices arranged were sufficiently above the Canadian ceiling to permit operators to produce, but far below world prices of spruce and comparable woods. A comparison of the cost to the United Kingdom of all her wood purchases during 1946 is interesting, because it shows that the lumber shipped from eastern Canada was, by a wide margin, the cheapest wood purchased from any country in the world. The figures show the cost C.I.F.—cost, insurance and freight—per thousand superficial feet, delivered at a United Kingdom port, in 1947. They are as follows:

U.S. South	\$121.00
U.S. Pacific	115.00
Sweden	105.25
British Columbia	104.50
Finland	99.25
Eastern Canada	85.50