

Mr. Lefebvre then detailed the advantages possessed by Quebec in the way of water power, wood and labour, and then went on to show that though the United States duty practically closed the market to our pulp manufacturers, Canada had free access to the markets of England, France and Belgium. Great Britain imported 215,920 tons of wood pulp in 1893, and France 106,049 tons, forming a total of 321,969 tons for those two countries. Belgium, Spain, Italy and other European countries imported at least 200,000 tons, so that the total import exceeds 500,000 tons yearly. And it increases constantly. The importations in England were 121,534 tons in 1888, 156,609 tons in 1890, 190,946 tons in 1892, 215,920 tons in 1893, or an increase of 77 per cent over the importation of 1888. This increase may continue for a long time before any glut in the English market can occur. Thus in 1893, outside of the 215,920 tons of pulp already mentioned, England imported 20,750 tons of linen and cotton rags, 185,450 tons of esparto and 30,358 tons of other materials and pulp of rags, or in all 236,558 tons. And yet this proved to be an inadequate supply, for the Blue Books show that during the same year (1893) there were imported in that country 146,644 tons of paper and pasteboard. The quantity of pulp necessary for this manufacture would have required eighteen mills, running with a motive power of from 2,500 to 3,000 horse power each, and to produce the quantity of pulp represented by the 236,558 tons of raw material imported to complete the supply of the paper mills of Great Britain it would require thirty other pulp manufactures of the same capacity. There are at the present moment only two establishments of the kind in the Dominion of Canada which manufacture for exportation to England, one in the province of Quebec, operated by Americans, and another in Nova Scotia. There is, therefore, room for scores of others without danger of glutting the English market. And then there would still remain the markets of the other European countries which can take yearly over 200,000 tons.

Taking as a basis of calculation the figures given by the official returns of trade, pulp exported from Canada sold in England in 1893 at an average price of \$24.80 per ton. For the 15th September last, the *World's Paper Trade Review* quoted £5 to £5 10s., according to quality, or from \$24.30 to \$26.90 per ton. In those parts of the province of Quebec in close connection with seaports, it is possible to manufacture mechanical pulp or ground pulp and deliver it in England for \$15 to \$16 per ton, leaving a margin of from \$8 to \$10 to pay interest on capital invested and management expenses. A 2,500 horse power mill can easily turn out 25 tons of pulp per 24 hours, and therefore give a benefit of from \$200 to \$250 per day. Are there in the manufacturing industry other lines capable of showing similar results?

Mr. Lefebvre dwelt on the advantages to colonization, commercial and transportation interests of the development of pulp making and exportation. He dwelt on the position of the United States towards Canada. The United States took large quantities of spruce logs or raw material, but in the last three years sold us paper and paper articles as follows: \$648,043 in 1891, \$714,474 in 1892, \$730,433 in 1893.

During the same period they purchased from us in pulp-wood, as shown by the figures already mentioned, to the extent of: \$170,636 in 1891, \$183,312 in 1892, \$454,253 in 1893.

The conclusion to be drawn from these figures is obvious. The Americans purchased their wood from us, manufacturing therefrom the paper, which is afterwards sold to us, they retaining all the benefits, profits and advantages adhering to such manufacture. The anomaly, said Mr. Lefebvre, is striking. To remedy it, he advocates the re-imposition of the differential rate of dues levied on spruce logs.

Concluding, Mr. Lefebvre said: The province of Quebec with its magnificent forest trees, cheap timber, its unlimited water powers, cheap labour, numerous seaports and low rates of ocean freights, offers exceptional advantages in the manufacture of pulp for export purposes to Europe, and can advantageously compete with Scandinavia on the markets of the old countries. This is one of the soundest and most remunerative industries, worthy of the most favourable consideration of capitalists.