

of thousands of workers will be laid off from our forests owing to that deplorable situation. I am not talking politics when I mention this. It is outside the realm of politics, because, as the Montreal Star has pointed out, it is imperative that all the influential people of this country should get together to ascertain every possible way in which the industry may be saved. This is not the time or the place to discuss the shortcomings of the newsprint industry. No doubt in the past it has sinned in the direction of overproduction, with a saturated market, and in the matter of over-capitalization. The fact remains, however, that with the large market it has in Canada, and with its potential market in the United States, the industry can survive. I say, therefore, that this is the time for the government to show some consideration to the so-called foreigner. Of the capital invested in this industry a considerable portion has come from the United States. Indeed, in some branches of the industry the capital is almost entirely American. But let us remember, as one American said to me recently, that in the present turmoil brought about by our fiscal policy, amounting to a fiscal war, the Americans are not likely to buy our newsprint to any considerable extent. What we have at the moment is a fiscal war. We have talked about the hundred years of peace between ourselves and those whom we call our cousins to the south of us, but the policy which this country is now pursuing will not tend to minimize that condition; on the contrary, these treaties will rather aggravate that fiscal warfare.

Hon. members in every section of this house should read some excellent articles written by Mr. Frederick Noad and A. R. Randall-Jones, which appeared in the Saturday Night of last month and last week. These articles will indicate the seriousness of the situation. And remember that what applies so forcibly to northern Ontario applies to every section of Canada. Take our shoe manufacturers, steel manufacturers and textile manufacturers: the best customer they have had in the last ten years is the northern section of Ontario. That being so, are we going to penalize that section of the country, the consumers and primary producers? But if you adopt a policy that will antagonize the foreigner, you will find that our production will be curtailed to a large extent, for ninety per cent of the production in our part of the country, at least, finds its way into the United States. That remark applies more particularly to the products of our mines, our

[Mr. Bradette.]

forests and rivers, and when we receive American dollars in return for what we export to that country, those dollars find their way into the home market for the commodities that we require. Even our gold, in most cases, found its way to the New York market. In my section of the country the only customer for our newsprint is the United States, and the same thing is true of pulpwood, though not to the same extent. That is true also of our fisheries; most of the fish caught in our rivers finds its way to the American market.

An hon. MEMBER: And lumber.

Mr. BRADETTE: We do not produce so much lumber; we have a limited production, but no doubt some of it also finds its way to the United States. That is why I am appealing for the northern section of Canada, northern Ontario: what is done to benefit that section of the country will be reflected in Canada as a whole. The returns which we in the northern section of Ontario receive for our exports to the United States are spent in the industrial centres of Canada in the form of hard cash for the commodities which we need. Our money goes to such centres as Toronto, Montreal, Quebec and Winnipeg.

I could go on indefinitely elaborating this point, but I think hon. members will get valuable information from some excellent articles written by Mr. Frederick Noad and Mr. A. R. Randall Jones, which appeared in Saturday Night of last week. They make an exhaustive study of the newsprint situation. I know that the house is fully aware of the multitude of articles that could be produced from our forest resources—cellulose, wood pulp and paper board, and so forth—but some of our industries have not been doing as well as they might have done, having relied solely upon the production of newsprint. I believe that a good deal could be done to help the industry to get on its feet, if only the government would find a wider market for our newsprint production.

I will give you some statistics to show the necessity for outside markets apart from Great Britain. Take the item of pulpwood, for example. I would refer the house to the quarterly report, volume 32, for the year 1931-32, where it will be found that our total exports of wood pulp amounted in 1931 to 1,482,000 hundredweight, valued at \$4,627,000. In 1932 wood pulp, sulphite, etc., were exported to the extent of 930,000 hundredweight, valued at \$3,020,976. Here again we find that most of our production is shipped to the United States. We have a market in Great