

# WOOD PULP ~ ~ DEPARTMENT

## PULP AND PAPER MANUFACTURE IN BRITISH COLUMBIA.

Mr. R. E. Gosnell, Secretary of the British Columbia Bureau of Information, is doing excellent work for the province by furnishing information calculated to develop its natural resources and increase its export trade. He has recently issued two important bulletins, entitled "The Timber Industry of British Columbia" and "The Markets on the Pacific for British Columbia Wood Pulp and Paper." The following extracts bearing upon the pulp and paper industry explain the situation:

No mills for the manufacture of wood pulp or paper are at present established in this province, but no portion of Canada can show greater advantages for these industries. Water-powers can be found on the coast of the mainland which afford unique facilities for industrial works, owing to their situation adjacent to deep water, to their ease of development, and to their being in the centre of the timber areas. In addition to the water-powers on the coast, there are numerous fine water-powers in the interior of British Columbia, where can also be found immense quantities of wood suitable for pulp; but at the present time the rate of freight to the coast would be a bar to successful competition in the outside markets.

Along the coast-line of the mainland of British Columbia and Vancouver Island practically inexhaustible areas of pulp wood can be found. South of Knight's Inlet the most abundant wood is the Douglas fir, which is successfully used for the manufacture of chemical pulp. Its suitability for mechanical pulp is not so certain. North of Knight's Inlet is the spruce and hemlock belt, affording enormous supplies of excellent pulp-wood—the Sitka spruce especially being unexcelled by any other wood for pulp purposes. These woods cover large tracts immediately contiguous to the sea-coast, so that logs can be landed at the mills at very low cost.

An important point in favour of the industries on the sea-coast of British Columbia is the mildness of the winters, which admits of operations being carried on throughout the whole year. The forests of this province are much more densely wooded than those of Eastern Canada, 500 cords per acre being not uncommon, while from 100 to 150 cords may be taken as a fair average of good timber lands. With proper husbanding the forests are practically inexhaustible for pulp-wood purposes. This is essentially a timber country. Atmospheric conditions are especially favourable to tree growth, which is very rapid, and the extent of otherwise valueless country along the coast that can be devoted to forestry is enormous. Owing to its wealth of raw material, excellent water-powers and geographical position, British Columbia occupies

a position of eminent advantage in competing for the pulp and paper trade of the Pacific.

An important factor bearing upon the future of British Columbia as the centre of the pulp and paper trade of the Pacific is the rapid depletion of the forests of the United States, and it is confidently anticipated that the importation of Canadian pulp and pulp-wood to that country, already large, will continue to rapidly increase. In conclusion, there is no industry, not even mining itself, which gives greater promise of commercial value and general importance than that of the manufacture of wood pulp and paper in this province.

The Legislature of British Columbia has passed an Act which authorizes the Government to enter into agreements with pulp companies, granting them leases of pulp lands on very favourable terms, both as regards rental and royalties, and to reserve areas out of which selections of pulp lands may be made.

The pulp companies with whom agreements have been made are: The Industrial Power Company, the Pacific Coast Power Company, the Cassiar Power and Industrial Company, the Oriental Power Company, and the Quatsino Power and Pulp Company. All of these have large limits and water-powers reserved.

A special feature of British Columbia timber areas is their density, the yield being greatly in excess of that obtainable from equal areas in Eastern Canada. The average cut in Ontario is about 10 cords per acre, while upon the lands secured by these companies the estimated cut is over 100 cords per acre. This density enables logging to be carried on to great advantage, and it is estimated that the cost of wood at the mills for many years will be at least one-third the average cost to Eastern American mills. Cheap coal of excellent quality can be obtained from Nanaimo or Union, and shipments can be made directly by water to the mills.

The markets that can, with special facility, be supplied from British Columbia are: British Columbia, Japan, Australia, China, New Zealand, Hawaii, the Philippines, Western Coast of South America, Western Coast of Mexico, and Asiatic Russia.

The home market is a rapidly-growing one, and with the steady growth of population a correspondingly rapid increase of the requirements in the way of paper may reasonably be anticipated. The long distance from the Eastern mills and the freight rates make competition from the East impossible.

Japan probably furnishes the greatest possibilities for the future, the imports of paper in 1900 amounting to over \$2,000,000, and that of pulp to about \$230,000. Both the demand for pulp and paper in Japan is increasing very rapidly, and the pulp mills of this province will be in the best possible position to supply it.

The Australian market is perhaps the most important at the present time. There are no suitable pulping woods on that continent, and no water-powers, so that Australia is almost wholly dependent upon outside sources for its supply of paper.

If preferential trade duties were arranged between Canada and Australia, as may be possible in the future, Canada (and British Columbia in particular) will occupy a position of great advantage as compared with other countries competing for this trade. It is to be noted that a considerable portion of the paper imported into Australia from Great Britain and the United States was manufactured from pulp shipped from Eastern Canada. The freight charges (and customs duties, in the case of the United States) on this must materially increase the cost, and can be entirely avoided by manufacturing the paper in British Columbia.

Mr. Gosnell's views as to the possibilities of the pulp industry have evidently become modified, as his last contribution on the subject says:

It has been established beyond question that a very large market for paper, and incidentally for pulp manufactured in the province, does exist, sufficient to justify the erection of one or more paper mills.

There are, however, one or more important considerations to be kept in mind. The market for pulp alone, apart from a paper mill, is not large enough for a large pulp mill. Japan is practically the only consumer of that product, so far as we are concerned. The output of pulp must be largely consumed in the local paper mills, for the products of which there are very exclusive markets in Australia, South America and other countries bordering on the Pacific Ocean. There is, too, in British Columbia and the Northwest a home demand, which is rapidly extending—not sufficient, perhaps, to absorb the entire output of a paper mill, but nevertheless an important market in that connection.

There are also to be considered the questions of labour and shipping facilities. Labour on the Coast is higher than in the East; but the other natural conditions are so favourable that careful estimates show that pulp can be manufactured several dollars a ton cheaper here than in Eastern Canada, on that account. The location of the timber reserves on the water's edge, with water carriage to the mills, is the explanation of that, and will compensate for increased cost of labour. Shipping facilities and competition in ocean vessels is more limited on the West than on the East Coast; but the development of ocean traffic on the Pacific is so rapid that any present disadvantages on that score will soon be overcome.

Another consideration of moment must not be overlooked. The market while it exists must be cultivated, and pulp and paper manufacturers will come into competition in the foreign market, in certain lines, with British, Canadian, United States, German and other manufacturers (principally British). To meet these on equal grounds and obtain a share of the market will take time and enterprise. The advantages on the side of the British Columbian manufacturer will be cost of production and