Introduction

The island of Newfoundland contains approximately 3.6 million hectares of productive forest concentrated mainly in the western and central areas. Labrador has approximately 5.2 million hectares of productive forest. With the construction of the railway, some forest resources on the island became more accessible for commercial exploitation. As the interior of the island opened, the establishment of sawmills was the first large-scale commercial activity.

Early Forestry

Although intensive harvesting of trees was not undertaken until the nineteenth century, our forests have played a significant role in the lifestyles of indigenous people of Newfoundland and Labrador for millennia. Adaptations to our environment such as toboggans, snowshoes, kayaks, weapons, and shelters depended to a large extent, on forest products. Many medicines were also derived from trees. For instance, roots, leaves, and bark were sometimes used to make anti-inflammatories and antiseptics.

Early European settlers and migratory fishers used forest resources primarily for fuel and for the construction of stages, flakes, wharves, boats, and houses. In addition, dried fir bark was sometimes used to cover fish during the curing process. It became a tradition for fishers to regard the coastal forest zone as their reserve to which they had free access. This tradition became incorporated into law in the Crown Lands Act of 1930, which specified a three-mile (4.8-kilometre) coastal limit for the use of fishers.

Changing Economic Patterns

The use of forest resources began to shift from primarily subsistence to commercial activities in the late 1800s. In 1875, the Government of Newfoundland passed a Crown Lands and Timber Act, which intended to promote the sawmilling industry in the colony. Most subsequent sawmills were small enterprises that produced lumber for local use. But there were also a few large-scale operations that produced lumber, mostly white pine, for export. The first large-scale sawmill was built at Botwoodville...
Prior to the late 1800s, locally produced lumber could not keep up with the demands of a growing population and was in short supply. It has been calculated that a settlement of 40 families could clear an area of five square kilometres in less than two generations to meet the need for fuel alone. This is evidenced in reports prior to 1700, noting that the coastal forests around popular harbours were retreating. By 1892, lumber had to be imported from Halifax for the reconstruction of St. John’s after the Great Fire.

... the New-found-land yeeldeth such great blessings from God ... yet many of our English Nation ... as it were, tred them under their feete ... upon their arrivall yeerly to that Courtye, doe cut doubre many of the best trees they can finde, to build their stages and rooms withall, for their then necessaries. ... and destroying many others ... in few yeers. I feeve, that most of the good timber trees neere the Sea-side, where men use to fish, will bee either felled, spoiled or burned ...

— from A Discourse and Discovery of Newfoundland (1620)
After 1910, pulp and paper production began to dominate the forest industry. To stimulate growth in this industry, the government offered land tenure agreements to companies. In these agreements, the companies assumed the primary responsibility of managing lands in return for the right to benefit from their resources – although the tenured lands still technically belonged to the government. There were three forms of agreements:

1. **Freehold Agreement** – a recipient was entitled to exclusive possession of the land.
2. **Leasehold Agreement** – a recipient had the right to use the land, forests, minerals, and water in exchange for a low annual rent to be paid to government.
3. **Timber Licence** – a recipient could claim property rights on the forest resource only.

At the beginning of the twentieth century, the potential of Newfoundland’s forest resources began to attract international attention. In 1903, brothers Alfred and Harold Harmsworth expressed interest in the island’s forests and investigated the possibility of establishing a pulp and paper company at Grand Falls. The Harmsworths were moguls in the newsprint publishing industry in Britain, and the Newfoundland venture could provide them with a secure source of newsprint. In 1905 they formed the Anglo-Newfoundland Development (A.N.D) Company. Two years later they began construction of a mill, a powerhouse, and a company town at Grand Falls. The mill began production in 1909.

Another large mill was established at Corner Brook in 1925 by the Newfoundland Power and Paper Company, but was quickly sold off to the International Power and Paper Company.** In the early years of operation, the Grand Falls and Corner Brook mills employed more than 1000 workers each. Unlike the fishery, which experienced variance in fish availability and was based on a system of credit, pulp and paper mills (and related wood-harvesting operations) brought steady work and wage-based jobs. In 1935, approximately five per cent of the total workforce was employed in the forest industry.

**Economic Results**

After 1910, pulp and paper production began to dominate the forest industry. To stimulate growth in this industry, the government offered land tenure agreements to companies. In these agreements, the companies assumed the primary responsibility of managing lands in return for the right to benefit from their resources – although the tenured lands still technically belonged to the government. There were three forms of agreements:

1. **Freehold Agreement** – a recipient was entitled to exclusive possession of the land.*
2. **Leasehold Agreement** – a recipient had the right to use the land, forests, minerals, and water in exchange for a low annual rent to be paid to government.
3. **Timber Licence** – a recipient could claim property rights on the forest resource only.

At the beginning of the twentieth century, the potential of Newfoundland’s forest resources began to attract international attention. In 1903, brothers Alfred and Harold Harmsworth expressed interest in the island’s forests and investigated the possibility of establishing a pulp and paper company at Grand Falls. The Harmsworths were moguls in the newsprint publishing industry in Britain, and the Newfoundland venture could provide them with a secure source of newsprint. In 1905 they formed the Anglo-Newfoundland Development (A.N.D) Company. Two years later they began construction of a mill, a powerhouse, and a company town at Grand Falls. The mill began production in 1909.

Another large mill was established at Corner Brook in 1925 by the Newfoundland Power and Paper Company, but was quickly sold off to the International Power and Paper Company.** In the early years of operation, the Grand Falls and Corner Brook mills employed more than 1000 workers each. Unlike the fishery, which experienced variance in fish availability and was based on a system of credit, pulp and paper mills (and related wood-harvesting operations) brought steady work and wage-based jobs. In 1935, approximately five per cent of the total workforce was employed in the forest industry.
This painting entitled *We Filled 'Em To The Gunnells* by Sheila Hollander shows what life possibly may have been like in XXX circa XXX.

Fig. 3.4

4.53 Pulp and paper initiatives

- **1911-1954**
  - Taken over in 1923 by owners of Grand Falls mill; closed in 1954 due to greater economies of scale at nearby Grand Falls operation.

- **1925-present**
  - Still in operation in 2010.

- **1909-2009**
  - Closed due to lack of technology upgrades and adverse market conditions.

- **1933-1941**
  - Construction halted due to financial difficulties.

4.54 A girl looks at the Bowater Pulp and Paper Mill, Corner Brook, c. 1939

4.55 Forestry exports as a percentage of total exports (five-year averages)

---

**Experiencing The Arts**

Now that you have created your title, you need to turn your attention to researching your area of interest, creating the outline for your story, and brainstorming to establish a lyrical palette of words and phrases that might be used in your composition. Be sure to continue recording your ideas in your notebook.
"The Badger Drive"

is a Newfoundland folk song which describes
the lumber drive near Badger. The lyrics of this
ballad speak of the experiences of individuals who
worked in this sector of the forest industry.
Impact on Lifestyle and Culture

Those who worked as loggers* harvesting timber for pulp and paper mills endured tough working conditions. These loggers worked for contractors, who in turn worked for paper companies. Each season, the companies paid the contractor a fixed sum of money to harvest a specified amount of wood on company land. From this, the contractor had to pay himself, run the camps, feed the loggers, and provide them with shelter. Often, the company did not pay the contractor enough money to both earn a profit and adequately provide for all of the loggers’ needs. As a result, many contractors tried to increase their own earnings by spending as little as possible on the loggers’ food and housing.

For six to nine months of the year, many loggers lived in dirty, leaky, drafty, and over-crowded bunkhouses in the woods. Food was poor and no pay was given for time off work due to work-related injuries. Many workers from outport communities engaged in logging from the fall to early spring, returning to the fishery in the summer. Working conditions for those in the mills were much better than conditions endured by loggers and, with the development of company towns, workers were able to return to their own homes after a day’s work.

Questions:

1. It can be argued that the development of the forest industry was the opening of a frontier. 
   a. What might have been the three greatest challenges faced by workers?
   b. What were possibly the greatest benefits for workers?

2. The text states that by 1920, lumber exports had declined considerably. However, the data on page 311 indicates that exports for the forest industry continued to increase. How do you account for this?

3. The Government of Newfoundland rented land to pulp and paper companies as opposed to obtaining revenue from royalties. As a consequence, this industry brought little direct revenue to government. What were the advantages and disadvantages of taking this approach for government? For business?

4. What were the three most significant ways in which the culture/lifestyle of a company town differed from that of an outport?
In the social sciences we sometimes consider specific examples to be significant because they are revealing – they shed light on a type of experience. The story of Grand Falls is such an experience, as it highlights the strengths and weaknesses of company towns.

Most Newfoundland and Labrador fishery-based communities grew in an “unplanned” way. However, as the colony’s economy diversified in the early twentieth century, a number of new communities were built by companies to serve their production needs. Some towns, such as Gambo and Millertown, were built around sawmills; others, such as Tilt Cove in Notre Dame Bay, were built around mines. Clarenville was built as a railway centre and a few small settlements grew around other railway stations. Some natural-resource industries were established in or near existing settlements. Others were established in unpopulated areas of the interior, most notably Buchans and Grand Falls.

The site for the Grand Falls pulp and paper mill was chosen because of the availability of a large supply of lumber, the potential to develop inexpensive hydroelectricity, and its close proximity to the deep-water port of Botwood. The Anglo-Newfoundland Development (A.N.D.) Company opened the mill in Grand Falls in 1909. It also planned, built, and managed the town of Grand Falls as private property. Only company workers and their families*, along with the owners and operators of a small number of private businesses, were allowed to live there. The A.N.D. Company built a school, hospital, and churches, and paved streets. It also built houses for its workers and provided water, sewer, electricity, and telephone services at a time when such services were not readily available throughout the colony. Living in a company town also offered other benefits; the A.N.D. Company wanted to address the social needs of its workers and

*This was true of some other company towns, as well. For example, the father of one of this text’s authors died while he was an employee living in a company town. When this happened, his family was ordered to leave.

What can be learned from this experience?
This painting entitled *We Filled 'Em To The Gunnells* by Sheila Hollander shows what life possibly may have been like in XXXX circa XXX.

Fig. 3.4

...thus supported several sports, music, and drama clubs. An uninhabited wilderness at the turn of the twentieth century, by 1911 Grand Falls had a population of 1634.

The growth of Grand Falls also resulted in other settlement in the region. Unregulated settlement arose in the area outside of the company town, in what later became known as the community of Windsor. Without the A.N.D. Company’s financial support, housing and community services (such as sanitation) in this area were inferior to those in Grand Falls.

Grand Falls remained a company town until 1961, when new owners (Price Brothers and Company) relinquished its control of the community, and Grand Falls became an incorporated municipality. The mill continued to be the main employer for the area. In 1991, the towns of Grand Falls and Windsor amalgamated to form Grand Falls-Windsor.

In December 2008, AbitibiBowater released a statement concerning the imminent closure of the pulp and paper mill in Grand Falls-Windsor, citing high operating costs. In response, legislation was introduced in the same month in the House of Assembly to return the water rights originally granted to the A.N.D Company to the province. The mill produced its last roll of newsprint on February 12, 2009, putting 750 men and women out of work.

1. How did the development of the community of Grand Falls benefit the colony of Newfoundland? Which benefit was the most significant? Why?

2. Given the closure of the mill, what challenges does this create for the community that has existed for over a century? Which challenge is the most significant? Why?

3. What can be learned from this experience?