Forest products have always formed a large part of the raw material used in all kinds of industrial activity. At the present time products of forest origin form a quarter of our total exports, being exceeded only by the products of the farm.

Because of our climate, coniferous trees form over 80 p.c. of our forest resources and over 95 p.c. of our forest products as at present exploited. Because of their universal use in industry, the softwoods are in greatest demand, not only in Canada but in the markets of the world. Canada enjoys the reputation of holding the Empire's reserve of softwood timber, being rivalled in her coniferous forests only by Asiatic Russia and the United States. The Canadian species of both hardwoods and softwoods yield lumber and timber of dimensions and quality that are equal or superior to those produced by forests elsewhere.

Statistics of forest production (operations in the woods) in 1929 place its total value at \$219,570,129, with a corresponding equivalent in standing timber of 3,090,-614,647 cubic feet. The most important items are logs for sawing, valued at \$79,278,-543, and pulpwood for use and export, valued at \$76,120,063. The total value of sawnill products in 1929 was \$146,989,564 and that of pulp and paper-mill products \$243,970,761.

Furs.—Although the rapid advance of settlement has greatly restricted the reservoir of fur-bearing animal life cradled in the vast expanses of northern Canada, yet Canada, after three and a half centuries of exploitation, still holds a foremost place in the ranks of the world's fur producing countries.

Raw furs are at present the only economic return from hundreds of thousands of square miles of the area of the Dominion and are a resource to which all the provinces and territories contribute.

The large uninhabited areas of northern Quebec, Ontario, Manitoba and the Northwest Territories furnish subsistence for many of the most highly prized furbearing animals, among the most important of which are the beaver, fisher, various varieties of fox, marten and others. The animals are usually caught in traps during the winter months, when the country is more accessible than during the summer and the pelts are in the best condition. The successful breeding of the fox on fur farms came with the period of rising prices after 1890, and has since developed into an important industry. Prince Edward Island has always been the centre of the industry, but farms are now found in all provinces of the Dominion. On Dec. 31, 1929, 4,493 fox farms were in operation with a total of 103,681 foxes, principally of the "silver" variety.

Although the fox has proved the most suited to domestication, other kinds of fur-bearing wild animals are being raised in captivity—mink, raccoon, skunk, lynx, coyote, rabbit, marten and fisher. Karakul sheep, from which are obtained the furs known as "Persian lamb", "astrachan" and "broadtail", are also being raised successfully in Canada. In 1929 the number of farms engaged in the raising of fur-bearing animals other than foxes was 1,020. Mink farms are the most numerous of the miscellaneous class, muskrat farms coming second and raccoon third. Over 330 of the fox farms also raise miscellaneous fur-bearing animals in addition to the foxes.

The total value of the raw fur production of Canada for the season 1929-30 was \$12,158,376. This total comprises the value of pelts of fur-bearing animals taken by trappers and of those raised on fur farms. Pelts sold from fur farms in the calendar year 1929 were valued at \$2,304,910 and animals sold at \$4,474,953.