

the Orient the northern European countries have been successful contenders in the trade in wood and wood products. Now that supplies from these sources are largely, if not wholly, cut off by the War, Canada may be in a position to extend her trade in these fields.

Effects of the War of 1914-18 on Prices of Forest Products.

The War of 1914-18 had little direct influence on the forest industries, though the pulp and paper industry at that time was experiencing rapid expansion. It did not cause any marked decrease in lumber production, though a minor depression occurred in 1916. The cut in British Columbia decreased during the years 1914 to 1916, but recovered in 1917. In the eastern provinces production was well maintained throughout the period of hostilities.

During the five years previous to 1914 the value of sawmill products exported to the United States was more than twice as much as that to the United Kingdom (60.4 p.c. and 28.3 p.c. of the total, respectively). In 1934-38, however, the positions were reversed: 43.9 p.c. went to the United Kingdom and 39.4 p.c. to the United States.

Though there was a distinct slump in the exports of sawmill products to the United Kingdom in 1918, the average annual value during the fiscal years 1915-19 was slightly greater than during the previous five-year period. The exports to the United States continued to increase during the War.

The average price of lumber, which had been between \$15 and \$20 per M ft. b.m. for the previous nine years, began to rise in 1917 and continued its upward trend until 1920, when it touched \$39.10. After that a steady decline set in and the lowest point of \$14.15 was reached in 1933. Since that time there has been a gradual increase in price to \$20.67 in 1937.

The production of pulpwood, wood-pulp, and paper increased steadily from 1908 to 1920. Following a slump in 1921, it continued to increase up to 1929.

The average price of pulpwood increased steadily from \$5.84 per cord in 1908 to a peak of \$16.16 in 1921.

The price of chemical pulp remained fairly steady at from \$38 to \$39.50 per ton until 1916, when it jumped to \$51 and in 1917 to \$73. The peak of \$114 was reached in 1920. In 1921 it fell to \$68 and gradually decreased to less than \$45 in 1933. Mechanical pulp followed a similar course.

The price of newsprint also rose sharply during the War culminating at \$98.40 in 1921, followed by a consistent decline to \$34.15 in 1935.

It is not evident that the War of 1914-18 had any direct effect on either the volume of production or the price of pulpwood, pulp, or paper, except that increased wages may have provided some excuse for raising prices. The demand for pulp and paper was increasing rapidly in the United States and a boom developed in Canada to meet, or anticipate, this demand. The consequences of this boom are still being felt by the industry and every precaution should be taken to avoid a recurrence of such a condition based on the temporary opportunities afforded by the present emergency.

Conclusion.

Since the outbreak of the present War in September, 1939, it has become increasingly evident that Canadian forests and forest industries will be depended upon to