

**Exports of Wood and Paper Products.**—The forests of Canada contribute substantially to her export-trade values. During the calendar year 1942 exports of wood and paper products amounted to \$389,805,396 and made up 16.5 p.c. of the total value of Canadian exports for the period, amounting to \$2,363,773,296. Domestic exports of wood and paper products were exceeded by those of agricultural (vegetable and animal) products, which made up 21.8 p.c. of the total, and by mineral products with 35.2 p.c. Wood and paper products are prominent among the individual items of export. Even more impressive is the contribution made by products of the forest and forest industries toward Canada's excess of exports over imports. In 1942 this excess from trade in all commodities (excluding gold) was \$741,224,113. In comparison, the gross total contribution from trade in "wood, wood products and paper" only, amounted to \$352,012,132.

### Section 7.—The Influence of the War on the Pulp and Paper Industry

The War has greatly increased the demand for pulp and paper products. Increased business activity and higher incomes have increased the demand for all kinds of paper. Fibreboard and paperboard containers have been substituted for those made of metal and wood, and many new types of packages are required for war supplies. Canadian newsprint is used by the Armed Forces of the Allies, in the liberated areas of Europe, and for Allied propaganda in the occupied countries. Paper boards are used in the construction of Army huts and other buildings, and pulp products have a variety of other military uses.

During the earlier years of the War, production of the industry's principal raw material, pulpwood, increased by leaps and bounds, and the manufacture of wood-pulps and papers increased accordingly. In 1941 both volume and value of production exceeded all previous levels. Notable developments during this period were the large increases in production and exports of all kinds of wood-pulps, and of paper boards and papers other than newsprint. The exceptional demand for pulps led to greatly increased production, and exports were twice as large in 1941 as in 1939.

The trends of production of wood-pulp and paper are shown in Tables 10 and 11 at pp. 258 and 259.

Up to the end of 1941 war conditions did not result in any major disturbance of normal operating and trade practices in the industry. In addition to its direct contribution to the war effort, the pulp and paper industry has secured for Canada most urgently needed supplies of foreign exchange, particularly United States dollars. This function was of exceptional importance prior to the entry of the United States into the War. Many thousands of tons of pulp and paper shipped across the southern border were exchanged for training aircraft, guns, tanks, and other war supplies which could not at that time be manufactured here.

A special contribution to the general war effort was made by the pulp and paper industry by the adoption of a program for the manufacture of "bits and pieces" in its extensive and well-equipped machine shops, and the diversified list of products made includes parts for naval and cargo vessels, aeroplanes and gun-mountings, as well as gauges and other special devices. During the first year, supplies produced were valued at more than \$1,250,000, and subsequent production has been much greater.