

Until early in 1943 the jurisdiction over wood fuel was under the Coal Administration of the Wartime Prices and Trade Board. Shortly after the transfer of the responsibility for wood and coal from the Wartime Prices and Trade Board to the Department of Munitions and Supply in March, 1943, the Coal Control was relieved of the responsibility for wood fuel, and a separate Wood Fuel Control was established in the same Department early in June. In March, 1944, the Wood Fuel Control became a division of the Timber Control, also within the Department of Munitions and Supply.

One of the first acts of the Wood Fuel Control was to extend the period for payment of the \$1 per cord subsidy to Dec. 31, 1943, later to Mar. 31, 1944, and still later to Dec. 31, 1944.

The Wood Fuel Control also took immediate steps to arrange for cutting wood fuel under its supervision. Conscientious objectors, Japanese internees, and war prisoners were employed in a number of operations and, in two projects, pulp and paper companies under contract with the Government, utilized their facilities to fell and cut large quantities. It is estimated that from all these operations, which extended across the country, about 500,000 cords of wood were made available.

In addition to these measures, the Control undertook, through the Wartime Prices and Trade Board, to establish ceiling prices for the producer as well as the distributor, and arranged a new subsidy system under which the producer, dealer and consumer were all assured fair treatment. This had the effect of stimulating production and distribution through normal channels, and is likely to go far towards preventing a repetition, in the winter of 1944-45, of the shortage of the previous year.

Subsection 2.—The Pulp and Paper Industry

The rapid development of this industry in Canada is traced briefly at p. 265 of the 1940 Year Book. Summary statistics for the combined pulp and paper industry are given at pp. 260-263 of this volume.

There are three classes of mills in the industry. These, in 1943, numbered 28 mills making pulp only, 50 combined pulp and paper mills and 28 mills making paper only.

The industry in Canada includes three forms of industrial activity, the operations in the woods with pulpwood as a product, the manufacture of pulp and the manufacture of paper. Some of the important pulp companies operate sawmills to utilize the larger timber on their limits to the best advantage, and some lumber manufacturers divert a proportion of their spruce and balsam logs to pulp-mills. In all provinces except Nova Scotia, pulpwood cut from Crown lands must be manufactured into pulp in Canadian mills unless a special permit to export is obtained. A large proportion of the pulpwood cut in Canada for export to the United States is taken from private lands. In 1908 almost two-thirds of the pulpwood cut in Canada was exported in the raw or unmanufactured form, but the proportion has now declined to less than one-fifth.