wooden Mosquito bomber. These two demands constituted a challenge that was accepted by the Timber Control. In June, 1942, a Crown Company, Aero Timber Products Ltd., was established for the sole purpose of boosting the production of Sitka spruce.

The Company set up eight camps of its own and supervised private operations. As a result the output rose to 17,000,000 ft. in 1942. In the following year the figure stood at 26,000,000 ft. About two-thirds of the production is going to the United Kingdom.

All production is allocated; United Kingdom, Australian, New Zealand, South African, and Canadian requirements are routed through Canadian Timber Control.

Selected yellow birch logs are most suitable for producing veneers to the exacting specifications required for aircraft plywoods. About 80 p.c. of Britain's requirements are provided by Canada and the balance by the United States. Pre-war exports to England which were about 10,000 tons a year, rose to 25,000 in 1940, and 60,000 tons in 1941.

In May, 1941, the British Timber Control asked for assistance in obtaining birch veneer logs, aircraft veneer and plywood, and the Canadian Timber Control took over all negotiations.

As the over-all demand for these forest products increased, it became necessary to establish, in August, 1942, a Crown Company, Veneer Log Supply Ltd. This Company, which surrendered its charter in May, 1945, supplied all British and Canadian veneer log requirements. Shipments of veneer logs to the United Kingdom in 1942-43 were approximately 35,000 tons, but dropped to 12,800 tons in 1944-45. Production and export of finished veneers and plywoods were expanded substantially in 1942-43 but, due to the discontinuance of the Air Training program in 1944, have dropped to approximately one-quarter of the maximum production in 1942-43.

Eight Canadian companies are now producing aircraft veneer; their combined annual capacity is about 300,000,000 sq. ft. Four companies make approximately 35,000,000 sq. ft. of aircraft plywood per year.

Since early in 1942 the demand for labour for all types of war industries has been rising rapidly and enlistments in the Armed Forces have been at a high rate. As a result, loggers have been difficult to secure, and this, coupled with the severity of the winter of 1944-45, has caused the drop in lumber output although it is still over 40 p.c. in excess of the pre-war volume.

During 1942 and 1943 the average number of men on the payroll in the woods was about 80,000. In an effort to add to this number, the Government granted the industry a labour priority, and endeavoured to persuade farmers east of the Rockies to spend the winter in logging operations. In addition, the Government brought back a portion of the Canadian Forestry Corps, which had been employed in lumbering operations in Scotland. The men were directed to Canadian lumber operations.