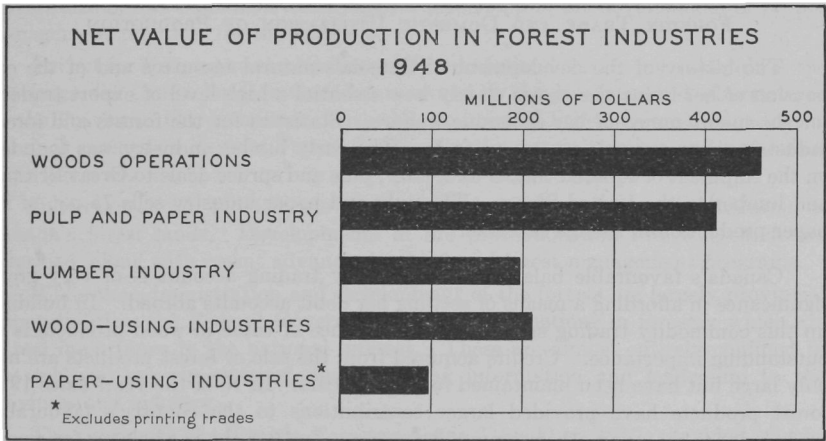


Canada has been, and still is, largely a producer of primary products but the country's manufacturing facilities, stimulated during the First World War and accelerated during the Second World War, have shown tremendous growth. In this development, the forest industries will continue to hold a prominent place.

In order to establish the relative significance of one industry to another or to a group of industries, the net value of production\* for each may be compared. The net value of production for "operations in the woods" amounted to \$461,000,000 in 1948, more than 11 p.c. of the net value of all primary production.



When the four forest industries—lumber, pulp and paper, wood-using, and paper-using—are grouped, their net value of production in 1948, \$916,000,000, amounted to almost 18 p.c. of the net value of all secondary production in Canada. (See Table 1, pp. 337-338.)

When the net value of operations in the woods is added to the net value of these four forest industries, the net value of all forest production totalled \$1,377,000,000, almost 15 p.c. of the total net value of all production.

Another index of the importance of an industry is the employment that it provides. During 1948, employment in the forest industries reached a peak. By giving work to over 350,000 men and women, these industries employed more than 7 p.c. of the total civilian labour force. In salaries and wages, the forest industries paid out just under \$762,569,000 in that year.

A detailed account of the output of the forest industries in 1948 will be found in Section 6 of this Chapter.

Several Canadian enterprises not classed as forest industries are dependent upon forest products for many of their raw materials. The hardwood distillation industry, while not large, relies directly upon hardwood for its raw material. Wood pulp is used extensively in the manufacture of rayon, celanese, cellophane, and a wide range of plastics. Sporting goods manufacturers, and various other industries, making goods ranging from mops and brooms to automobiles, use wood to a greater

\* Gross production less value of raw materials, fuel, etc., used in the production process.