

CANADIAN PULP INDUSTRY'S WAR PROGRAM

The furtherance of the war effort has been the basis of the pulp and paper industry's wartime policy. Although the Canadian industry during the war years has been virtually the only source of export supply for the democratic nations, the Canadian manufacturers have refrained from taking advantage of their unusual position. Since the outbreak of war the industry's foreign trade has provided Canada with more exchange than any other industry, particularly much needed United States dollars. Newsprint alone annually brings to Canada foreign exchange in excess of \$150,000,000. Through foreign trade many thousands of tons of pulp and paper shipped across the southern border to the United States make possible the purchase of war supplies there by Canada.

In pulpwood production, despite the handicap incurred through the wartime program, the industry has exceeded the peak of the five pre-war years (747,000,000 cubic feet in 1937) by a considerable amount. The average production of the five war years is estimated at 831,000,000 cubic feet; average for the 1935-1939 period was 623,000,000 cubic feet. This increased figure has been accomplished through skilful use of the materials of production. Not only has Canada's demand for pulpwood to provide war supplies of pulp, newsprint and other products increased, but in addition the United States market has received a 25% greater delivery of Canadian pulpwood to support the operation of mills in the United States.

PULP USES IN WAR

Pulp, the primary product manufactured from pulpwood, is the basic material for manufacturing all the products of the industry. The need of pulp and paper products for essential uses during wartime is very heavy. Extended uses for pulp in the war production program have accelerated the demand in both foreign and domestic markets. Pulps are used for such important items as explosives, plastics, substitutes for metal and rayon for tires and parachutes. Paper board is used in containers for shell cases, ammunition, gun barrels, machine parts, blood plasma, food and medical supplies. Building board is used to substitute for lumber in building barracks, hospitals, munitions works. Paper other than newsprint is used for towels, printing Victory bonds, War Savings certificates, maps, charts, blueprints, etc. Newsprint has its own important mission - to maintain the dissemination of essential news both at home and abroad.

Canada's pulp and paper industry made another contribution to the general war effort by the adoption of a program for the manufacture of "bits and pieces." The diversified list of products made in the industry's extensive and well-equipped machine shops includes parts for naval and cargo vessels, airplanes and gun mountings, as well as gauges and other special devices. Production of "bits and pieces" was valued at more than \$1,250,000 in 1941, and subsequent production has been much greater.

PULP

While Canada is second to the United States in total production of all forms of pulp and paper, it has by far the largest exportable surplus of any country in the world. In peacetime nearly every country in the world draws all or part of its pulp and paper from Canada. Now, during the war, Canada is virtually the only source of these products for the United Nations and other countries not under domination of the Axis powers.

Increasing difficulties have been met in obtaining adequate rail, ship and highway transportation facilities. The United States market absorbs