These improvements would increase the cost of logging, but such an increase would represent a decided investment for the sake of the future wood supply of raw materials.

In a report presented to the 36th annual meeting of the Canadian Society of Forest Engineers it was submitted that a recognized detriment to the Canadian forest industries is their operation under the handicap of single-product production. Reorganization of the mills to utilize all raw products available from the forest would not only be effective in producing new commodities but would reduce waste and stabilize the industry, it was said. There are hundreds of thousands of cords of slabs resulting from sawmill operation which are now going to waste. These wasted slabs could be a steady source of raw material for the pulp and paper industry. Elimination of waste and the finding of uses for all the products of the forest present problems of paramount importance if the forest industries are to grow and prosper, say Canadian forest engineers.

The most recent developments in the newsprint industry in the United States show a tendency away from newsprint production to other more profitable pulp products. It is considered that wood cellulose is too valuable an asset to waste on producing newsprint - the most cheaply manufactured woodpulp product. The Scandinavian countries have also been concentrating on the production of higher grade pulps. Canada, too, is turning more to diversification in the newsprint industry. There are two yeast plants utilizing waste sulphite liquor at paper companies' plants at Liverpool, Nova Scotia, and Thorold, Ontario. Industrial alcohol made from waste liquor is also being produced at Thorold. Successful experiments have been made in Quebec with lignin extract as a stabilizing material in road construction. Lignin, a byproduct of the pulp and paper industry which heretofore has been regarded as waste, increases the binding power of clay in road building.

In the field of fine papers, one eastern Canadian firm is supplying 95% of the United Nations' needs of vanillin from a product formerly allowed to go to waste. Production of cellulose plastics is still another field of diversification being developed. Consequently the future may prove that new commercial products, having greater value than newsprint, will substantially alter the position of the industry.

The sub-committee on the conservation and development of natural resources of the Advisory Committee on Reconstruction showed general agreement that to an important degree dependence will have to be placed on forestry work in meeting immediate post-war employment problems. As the productivity of the forests expands, so also will the production of the pulp and paper industry. To ensure that the forest resources and forest industries may be utilized to the greatest possible extent in supporting the Canadian economy after the war, the sub-committee suggests:

"The average Canadian has no firm understanding of his personal interest in the country's forest estate. One of the most important tasks awaiting immediate action is the development of a program of sustained public education to make the people of Canada forest conscious."