

The pulp and paper industry has contributed substantially to the development and use of power resources. Without a plentiful and cheap supply of hydro-electric power, pulp and paper could not be manufactured on its present scale. The installed capacity of Canadian hydro-electric stations is 10,214,513 horse-power a year. Prior to the war the pulp and paper industry ordinarily purchased 50% of all Canadian power sold for industrial purposes.

Canada's total forest area ranks third in the world - only the Soviet Union and Brazil have greater forest possibilities. There are 783,000,000 acres of forest land which comprise more than 35% of Canada's total land area. About 493,000,000 acres of this forest is considered accessible and capable of producing continuous crops of timber for domestic and industrial purposes. More than nine-tenths of all the forests in Canada belong to the public and are known as crown forests.

In the Northwest and Yukon Territories and in national parks and forest experiment stations, the forests come under federal jurisdiction; all other crown forests are administered by the provincial governments. The size of the organization necessary to manage the forests in a province is largely governed by the extent of the forested land and by the way in which ownership is distributed between state and private holdings. Of the occupied forested land in Canada 37% is privately owned - corporation and other private businesses account for 20.8%, and farm woodlots comprise 16.2%. The remainder of the occupied forested land, 63%, is state-owned and is licensed to three industries - the pulp and paper industry has licenses for 48.8%; saw timber licenses run to 13.5%, and timber sales and permits run to 0.7%.

The number of farm woodlots in Canada is between 400,000 and 500,000. As a general practice, farmers harvest their own timber from these woodlots and in turn sell the raw material to the manufacturers. From this class of producers comes a substantial part of the annual supply of pulpwood and logs for the mills. The pulp and paper industry pays annually from \$10,000,000 to \$15,000,000 to farmers and settlers for pulpwood.

CAPITAL INVESTED IN THE INDUSTRY

Capital invested in the pulp and paper industry at the outbreak of war was \$597,908,918, about triple the amount of the next ranking manufacturing industry in Canada, that of non-ferrous metal smelting and refining. By 1943 the industry's capital investment had grown to \$667,458,000. This investment represents an ownership by many thousands of Canadians. Total wages and salaries of the pulp and paper industry are the largest paid in Canada apart from direct war industries. Including woods operations, pulp and paper mean employment for nearly 150,000 workers and represent direct livelihood for about 500,000 of Canada's estimated 11,800,000 population. The industry also supports many more thousands as a chief contributor to rail and water traffic and as a big purchaser of domestic supplies and equipment. Some outstanding annual disbursements made by the pulp and paper industry to normal Canadian economy are:

Transportation	\$60,000,000
Taxes	30,000,000
Hydro-electric power	20,000,000
Pulpwood from farmers and settlers.....	18,000,000
Chemicals.....	14,000,000
Fuel.....	13,000,000
Food supplies.....	7,000,000