

the United States is at present the most important market for this branch of the fishing industry.

Other branches of the Newfoundland fishing industry are herring, salmon, lobster, halibut, seal and whale fisheries. Fish meals and oils are important fishery by-products, and there is a growing canning industry.

The fishing industry declined seriously during the depression years. The Newfoundland Fisheries Board, set up in 1936 by the government, was given wide powers to enforce processing standards, to regulate shipments and to centralize marketing in order to assist the recovery of the industry. Under the Board's direction, there has been considerable improvement in processing methods and marketing. Group marketing has tended to reduce excessive competition, and to spread returns more evenly throughout the industry.

The wartime expansion of the frozen fish and herring trade has reduced the fishing industry's traditional dependence upon a single product, salt cod. The future of the industry, however, with the ending of war-inflated demands and prices, will as ever be determined by the availability of markets and by Newfoundland's ability to keep pace with its competitors in price and quality.

#### The Pulp and Paper Industry

Pulp and paper is Newfoundland's most important forest industry. Most of the available timber resources of the island (some 11,000 square miles out of an estimated total 15,000) are held by two companies which operate large mills--one at Corner Brook, on the west coast, and one at Grand Falls, about twenty-two miles from the port of Botwood on the east coast. The remainder of the forest area is largely taken up by small companies which operate more than 800 saw mills, chiefly for local use, and by the government-held three-mile coastal strip reserved for the inhabitants.

The exports of pulp and paper accounted, in the decade before the war, for about one-half of Newfoundland's total export income, with the U.K. as the main market. During the war, the market in the U.S. was expanded, and new markets opened in Latin America. The competitive position of this industry in Newfoundland is good: it is situated close to water transportation and has an ample supply of timber. Even during the depression, the pulp and paper industry was able to maintain its production, and has since increased its output substantially. It employs some 10,000 in Newfoundland.

The development of thriving new communities connected with the pulp and paper industry has been an important factor in stimulating local manufacturing, agriculture and service industries. The standard of living achieved in these communities is considerably higher than the general average in Newfoundland, which has in the past been adversely affected by the relative instability of the markets for its other basic industries, fishing and mining.

#### The Mining Industry

Newfoundland has considerable mineral resources, but few of them have to this date proved of commercial value. Mining is nevertheless one of its major industries and provides a significant share of its total exports. The centres of the industry are at Bell Island, on the east coast, and at Buchans, in the interior.