

Canada's forests are of singular importance to you in the United States as well as to us. Our forest products, which account for almost one-third of the total value of Canadian exports to all countries, represent one-half of the value of our exports to the United States, and the United States - as you know - is our best customer for our total exports. For many years, production of woodpulp and newsprint has been continuously accelerated in Canada to meet the urgent demands of the U.S. market. We supply you with a constant seventy-five to eighty per cent of your newsprint requirements, even though your woodpulp industry is about twice as great as ours. And recently, United States markets have attracted nearly half of our very considerable production of lumber, another historic economic link between our countries which has persisted from the sometimes chequered early years of our mutual development.

Administration of the Forests

Over 90 per cent of the total forests of Canada is owned by the people of Canada, either through the provincial governments or the Federal Government. Neither the provincial governments nor the Federal Government sells timber land - only the right to cut timber. Long-term leases are provided where big initial capital outlays require a guarantee of continuity, as in large pulpwood operations. A variety of timber berths, pulpwood berths, timber sales, and cutting permits is in force, varying according to the particular government which is concerned.

At this point, I think it will help if I explain briefly the respective jurisdictions of the Federal Government and the provincial governments over forestry. Under the British North America Act, which is usually referred to as Canada's constitution, the ownership of and administrative jurisdiction over the forests which lie within the ten provinces is vested in the respective governments of those provinces. The only exception is that the Federal Government administers the forests on the relatively small amount of land owned by that government in the provinces, such as the 30,000 square miles of National Parks, lesser areas of uncultivated Indian lands, and the five federal forest experimental stations.

However, there is a large part of Canada which, because of its sparse population, has not yet received provincial status; it comprises the Yukon Territory and the Northwest Territories, and it is the one and a half million square miles which lie between Hudson Bay and the Alaskan boundary and stretch from the 60th Parallel northwards to embrace all the islands of the Arctic Archipelago. The Federal Government administers the forests in these two territories; but, while the area involved is vast, much of it lies above the tree line and most of the rest is lightly forested because of climatic conditions. In effect, only 8 per cent of Canada's total productive forests is under federal supervision.

However, although the provincial governments have complete jurisdiction over by far the greater proportion of Canada's forests, the Federal Government has also a valid interest in conserving and developing these forests and can properly give assistance in doing so, provided that such assistance is given in agreement with the provincial governments concerned. For example, in cases