

A \$2,000 EQUITY FOR YOU

In any year's end inventory of personal assets, no citizen of Ontario should overlook the fact that he has an individual equity of more than \$2,000 in this Province's forests earning interest at almost \$35 a year. Ontarians are joint shareholders in an enterprise with a capital worth several billion dollars represented by millions of acres of forested public lands which grow wood and whose annual harvest is removed and sold as raw material to many industries. Therein lies the annual return on capital investment.

This full-scale partnership is reviewed by T. W. Hueston, B.Sc.F., Management Forester at North Bay with the Ontario Department of Lands and Forests, in the Ontario Northland Transportation Commission's "The Quarterly".

"Let us," he suggests, "take a look at your personal equity in these forests. There are 72 million acres of public forested land in Ontario. The average acre carries about 1,500 cubic feet of wood, growing at the rate of 25 cubic feet per acre per year. The final product is worth roughly five cents per cubic foot to you, the seller. The adult population of Ontario is around 2.6 million.

"Therefore your total investment has a sale value of 5.4 billion dollars or more than \$2,000 per person and the annual growth which is, in reality, your earned interest, is worth 90 million dollars or almost \$35 per person. This is an interest rate of about 1.7 per cent.

"Your obvious reaction is that no one ever put \$2,000 in your pocket. Not directly, but the revenue for wood harvested on your forests helps to pay for many essential services such as police protection, welfare, public health services, hospitals and sanatoria, education and better roads. Some of the money is, of course, reinvested in the forests which is sound business practice.

"Your next thought might well be that you have no personal contact with the forest and therefore it all seems quite remote. However, you are in the happy position of being able to hire people to do the job for you. We in the Department of Lands and Forests are your employees and one of our jobs is to see that your forests give you maximum return on a minimum capital investment for the

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A \$2,000 EQUITY FOR YOU (Cont.)

longest possible period.

"Of course the present total forest growth in Ontario is not yet being utilized nor has the total growth potential been reached. Because trees, like humans, grow more slowly as they age, it is obvious that the more old forests we have the less will be our over-all growth. Therefore certain changes must be made in the forest structure.

"The first objective is to get equal areas in each age class so that there will be constant growth and cut from year to year indefinitely. We first determine the rotation age of the species involved. Rotation age is the number of years the individual tree requires to reach an economic size. The total forested area is then divided by this figure and the result is the number of acres we must cut each year to achieve proper balance.

"We must also try to establish on each site those species which will give the greatest return. In addition to achieving maximum quantity and quality growth we must ensure that this growth continues. Cutting methods must be evolved that will provide a second crop and, failing this, we resort to artificial means---either seeding or planting.

"This desired goal will not be reached overnight or even in a generation, but the more diligently we strive the greater will be the benefits reaped by our children.

"Financial returns form only a part of the picture. This vast reservoir of wood is one of the most important factors in our economy.

The leasing of timber lands by you to an industry starts a great chain reaction. There are camps and warehouses to be built, equipped and provisioned, roads and dams to be constructed and river improvements to be made. Men are needed to cut the trees into sawlogs or pulpwood, skid and pile it, load it on trucks or sleighs, haul it, dump it on lake or river, drive and tow it to the mill and sort it. On all these operations men must be paid, supplied with equipment and tools, sheltered and fed.

"The wood goes into the hungry maw of the pulp or saw mill to be converted into lumber, dimension timber, pickets, pulp and every conceivable kind of paper. This conversion involves employment

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