

2. There is a general agreement regarding the continuing rise in requirements for pulp and its products, a trend which has repeatedly induced the Economic and Social Council of the United Nations and UNESCO to stress the urgent necessity of providing more newsprint and other papers for the promotion of education and the distribution of news. On the other hand, pulp-producers are sometimes encountering difficulties in selling their products, and, in consequence, question whether supplies have caught up with or even surpassed effective demand. The recent change-over from a sellers' to a buyers' market was accompanied by price reductions for all grades of wood-pulp. The situation is complicated by currency and exchange problems as well as by lack of purchasing-power in many countries.

3. Several major shifts in the world pattern of the wood-pulp industry have taken place during the past decade, most of these being attributable to the war and its aftermath. Other changes are in prospect for technological reasons. In November, 1948, the fourth session of the Conference of FAO therefore passed the following resolution :—

In view of the uncertain future outlook with regard to productive capacity and demand for wood-pulp, the Conference :

- (a) Considers that more attention to this important commodity should be given.
- (b) Approves of the organization in the very near future of a Preparatory Conference on World Pulp Problems, for the purpose of attempting a broad survey of the world situation and outlook, and of formulating a programme of regular international statistics.
- (c) Greatly appreciates the co-operation of the Government of Canada and the Canadian Pulp and Paper Association in inviting the Conference to hold its first session at Montreal, and urges all countries having wood-pulp to participate actively.

4. In accordance with this recommendation, and at the invitation of the Canadian Government, FAO convened a Preparatory Conference on World Pulp Problems, which met at Montreal, 25th April to 4th May, 1949. It was attended by delegates from twenty-one Governments, by observers from ten Governments, and by representatives of UNESCO and ILO. Names of participants appear in Annex I.

5. Mr. R. M. Fowler, President of the Canadian Pulp and Paper Association, was elected Chairman of the Conference, and M. M. du Vignaux, of France, and Major C. F. Skinner, M.C., of New Zealand, as Vice-Chairmen.

6. Delegates were welcomed by representatives of the Government of Canada, the Canadian National FAO Committee, and the Canadian pulp and paper industry. Proceedings opened with an address delivered in person by Mr. Norris E. Dodd, Director General of FAO, who outlined the main elements of the world situation which had caused the Organization to convene the Conference and which it was hoped the Conference would more fully explore. A message from the Director-General of UNESCO drew attention to the very serious social and political repercussions of inadequate supplies of newsprint and printing-papers which exist in many lands and form effective barriers to the development of education, restrict freedom of the press, and hamper healthy political growth.

7. Most of the participating delegations provided the Conference with brief statements outlining the main features of the wood-pulp situation in their respective countries. The messages of the Director-General of UNESCO and the Director-General of FAO, and statements submitted by participating countries, comprise Annex II of this report.

8. During its sessions the Conference assembled and discussed regional and world statistics relating to production, consumption, and trade in wood-pulp and pulp-wood. Special attention was paid to requirements for the immediate future, and statistical summaries were prepared showing the regional and total effects of present estimates of projected consumption and production of wood-pulp and pulp-wood up to the year 1955. These statistics, subject to the qualifications made in subsequent sections of this report, provide the essential background for the conclusions of the Conference.