

Hydro-Electric Power.—The marked development of the hydro-electric resources of the Dominion in progress during the post-war period was continued throughout 1931, despite the major depression in other lines. New water-power installations brought into operation during 1931 amounted to 541,325 h.p., bringing the installation in Canada to a total of 6,666,337 h.p. at the end of the year. During the past eight years, 1924 to 1931 inclusive, 3,474,485 h.p. or more than half of Canada's present total has been installed. Construction was active on many new undertakings throughout the country, several of which were of outstanding importance, and it is anticipated that over 1,400,000 h.p. will be added to the total in the next two or three years.

Canada is now second only to the United States among the countries of the world in output of electric current. Kilowatt hours generated in 1929 amounted to 17,961,840,000 and in 1930 to 18,093,802,000. The estimated output for 1931 shows a decline to 16,610,000,000 kilowatt hours, or a total somewhat above that of 1928. In view of the fact that an important factor in this decline was a great reduction in the export of off-peak power at the Niagara frontier, the output of electrical energy has been very well maintained in the present depression.

Construction.—The decline in construction which was in evidence during 1930 was still more pronounced during 1931. The value of construction contracts awarded during the year was \$315,482,000, compared with \$456,999,600 in 1930 and \$576,651,800 in 1929, a decline of 31 p.c. from the 1930 total and 45 p.c. from that of 1929. The total was the lowest since 1925 and, had it not been for a fairly high level of activity in engineering construction, would have been much lower, since residential, business and industrial construction showed much greater proportional decreases. The building permits issued by 61 cities declined from \$234,944,549 in 1929 to \$166,379,325 in 1930 and \$112,222,845 in 1931, or by 52 p.c. in the two years.

Manufactures.—In spite of the general curtailment in manufacturing since 1929, certain groups of industries have maintained a fairly high level of activity. This is particularly the case with the food and clothing industries. Thus the index of employment (1926 = 100) in manufactures of edible plant products was 110.9 for 1929 and 105.4 for 1931; of edible animal products, 113.8 in 1929 and 102.7 in 1931; and of textile products, 107.2 in 1929 and 97.6 in 1931. This is more or less to be expected since industries providing many of the necessities of life are included in these groups. Moreover, these same groups did not expand in production during the period from 1923 to 1929 (see p. 322 of this volume) to anything like the same extent that groups producing luxuries and equipment did. On the other hand, nearly all branches of the iron and steel industry have been severely affected by the depression. In the primary section of the industry, the production of pig iron, which reached a high record at 1,080,000 long tons in 1929, dropped to 747,448 tons in 1930 and to 420,038 tons in 1931, while the production of steel, which reached a total of 1,378,000 long tons in 1929, was 1,012,000 tons in 1930 and 673,087 tons in 1931. In appraising this curtailment, it should be remembered that in 1929 the industry was more actively employed than in any other peace-time year. Since that time the contraction of operations in the construction industry, the drastically reduced expenditures on improvement and equipment forced upon the railways by falling revenues, and the greatly reduced demand for industrial equipment, agricultural machinery and motor vehicles, have all had a depressing effect upon the volume of operations in the primary iron and steel industry. As indicated, this has been partially due to a falling off in the activity of the secondary iron and