

Section 2.—Provincial Legislation.

A list of the public Acts of the Provincial Legislatures usually appears at this place in the Year Book. In order to conserve space, it has been decided to refer the reader to the different provincial authorities for information in this connection. It is felt that whatever is lost to those readers who are interested in having all provincial legislation brought together and listed under one head, is more than offset by the information of more general interest which it has been possible to include in the limited space available, but which would otherwise have had to be omitted.

Section 3.—Principal Events of the Year.

Subsection 1.—The Economic and Financial Year 1935.*

The trend of economic conditions was irregularly upward during the year 1935. Productive operations on the whole were more active, a few industries, such as metal-mining and metallurgical operations, even reaching the levels of the period culminating in 1929. Such cases, however, were exceptional and factors significant of productive activity indicate that a normal position has not yet been regained especially if adequate allowance is made for the long-term growth.

Industrial production in the United States and Great Britain with which Canada has close trading relations, recorded gains over 1934. The volume of Canadian crops, despite the decline in the wheat harvest, was greater than in the preceding year. The activity of the industries producing materials for the expansion of plant and equipment was considerably accelerated in 1935. This suggested that many enterprises were preparing for greater operations. The production of manufacturing plants, according to the official index, was appreciably in advance of the preceding year, while the gain in manufacturing employment was 7.6 p.c. The general average of wholesale prices was stable at the level maintained since the beginning of 1934. High-grade bonds for the greater part of the year were quoted at the highest level since the war period, when Dominion issues first became an important factor in the domestic market. Such high bond prices indicate an abundance of cheap money which is a potent influence for recovery. The deposit liabilities of the chartered banks showed a significant gain commencing with the summer of 1934. Reflecting the lack of expansion in bank loans, the security holdings and the readily available assets of the banks reached new high levels.

Agriculture.—The agricultural situation showed little improvement in 1935. Drought, rust and frost reduced the yields and quality of grain in the Prairie Provinces and the prices for oats and barley particularly were considerably below the 1934 level. Potatoes returned a poor harvest in the Maritime and Eastern Provinces, but prices were sharply increased. The reduced revenue from cash crops was slightly more than offset by increased revenue from live stock, dairying and certain minor farm enterprises. The inventory value of farm live stock and poultry, as at June 1, 1935, showed a pronounced increase over the figure for the previous year.

Forestry.—The forestry group has recently shown marked expansion. While prices of newsprint have remained close to depression levels, production schedules have recently reached a new maximum in history. Production of newsprint at 2,753,289 tons increased 6 p.c. over 1934, and the export of wood pulp was 9.4 p.c. greater. External markets developed for shingles, the export at 2,756,882 squares being 96 p.c. greater than in 1934. Owing mainly to the reduced shipments to the

*Abbreviated from the bulletin "Business Conditions in Canada, 1935", prepared by Sydney B. Smith M.A., Dominion Bureau of Statistics.