

Welland canal, the total of 11,747,950 tons being an increase of 12·6 p.c. over 1936. There was a gain of 8·8 p.c. in the tonnage of freight carried through all Canadian canals, as compared with the preceding year.

Employment and Unemployment.—The continued gain in employment, as reported by employers, indicated substantial business recovery, fewer persons being shown as employed in governmentally assisted projects. Index numbers of employment, as at the first of each month of 1937, will be found at pp. 768–774 of the present volume.

The number of fully-employable persons on the relief rolls declined about 40 p.c. from the level of the preceding year.

Prices.—Wholesale price levels turned downward in April, 1937, after an irregular rise dating from February, 1933. A short-lived midsummer recovery supported mainly by farm products was followed by a steady decline which extended well into 1938. Living costs continued to rise gradually, with foods, rent, and clothing becoming definitely more expensive than in 1936. Security prices experienced appreciable losses dating from the end of March. Common and preferred stocks suffered to a much greater extent than high-grade bonds. As in the case of commodity prices, the 1937 decline in stock markets was the first serious set-back since prices commenced to advance from the depression nadir (June, 1932, for common stocks).

Banking.—The advance in current loans of the chartered banks continued steadily throughout 1937, the average of the twelve monthly figures showing a gain of 4·7 p.c. Notice deposits averaged 3·6 p.c. greater than in 1936, while demand deposits increased by 11·8 p.c. Despite the greater amount of money on loan, the banks holdings of securities increased by 7·2 p.c.

Bank debits showed a decrease from the position of 1936, the average being down 2·1 p.c. On the other hand, notes in the hands of the public increased by 3·3 p.c. at the end of December, 1937, as compared with the same date of the preceding year.

Public Finance.—Figures for the elapsed nine months of the Dominion fiscal year showed that, at Dec. 31, 1937, ordinary revenues had increased by over \$61,000,000, or by 18·8 p.c. as compared with the corresponding period ended in December, 1936. Ordinary expenditures increased to a lesser extent, being nearly \$7,000,000, or 2·5 p.c. greater than in the similar period of 1936. Total expenditures amounted to \$362,000,000, an increase of 0·4 p.c. Relief expenditures were down some \$10,000,000, but Government-owned enterprises called for an increase in expenditure of \$5,000,000.

Subsection 2.—Other Principal Events of the Year.

Provincial General Elections.—General elections, not reported in the 1937 Year Book, took place in Ontario on Oct. 6, 1937, when the Liberal Government of Hon. M. F. Hepburn was returned to office, and in Saskatchewan on June 8, 1938, when the Liberal Government of Hon. W. J. Patterson was returned to office.

Dominion-Provincial Relations.—On Aug. 14, 1937, a Royal Commission was appointed “to investigate the economic and financial basis of Confederation and of the distribution of legislative powers in the light of the economic and social developments of the last seventy years”. The Hon. Newton W. Rowell, Chief Justice of Ontario, was appointed chairman of the Commission, and public sittings were commenced at Winnipeg on Nov. 29, 1937. Subsequently, sittings were