

1939, while building permits also registered an excellent advance from \$26,900,000 to \$34,200,000, a gain of 28 p.c.

Electric Power.—The use of hydro-electric power has grown rapidly in Canada, and has played a prominent part in the development of Canadian industries (see Chapter XIII). The year 1937 recorded a peak of electric power production in the Dominion and 1939 showed a gain of 3 p.c. over that year. During the past decade the capacity of hydro-electric installations in Canada has more than doubled.

A survey of hydro-electric progress in Canada during 1939 shows that considerable activity took place not only in the installation of new generating capacity but also in the extension of transmission and distribution facilities in many parts of the Dominion. New water-power installations in the year under review aggregated 97,040 h.p., which brought the total at the end of the year to 8,289,212 h.p. The firm power made available in Canada for ordinary use, computed by deducting the sum of exports to the United States and the amount supplied for use in electric boilers, was 19,847,000,000 kwh., a gain of nearly 8 p.c. over the 18,435,000,000 kwh. made available in 1938.

Employment.—In the field of employment the year was featured by a sharp reversal in the downward trend occasioned by a late spring. The slackening in industry apparent during 1938 continued into the first four months of 1939. The commencement of seasonal operations, the Royal Visit, the revival in United States business, and increased buying of raw materials for armament purposes all served to start the index on the upward swing that was continued to a peak of 123.6 on Nov. 1—a gain of nearly 19 points from the April position and the third highest November figure on record. The year 1940 opened with employment at the highest point in history for Jan. 1 and, after seasonal adjustment, a high point for any month since September, 1929.

The net result for the year showed a moderate increase from 1938, the index having risen two points to 113.9. The main groups registering gains were manufacturing, mining, transportation, construction, services, and trade. Logging experienced considerable recession averaging 16.5 p.c. below the 1938 figure, while communications showed a minor decrease due mainly to technological improvements.

Employment was well maintained in 1940 as shown by statistics to May 1, when industrial activity was at a higher level than at the same date in any other year with the exception of 1929. The index of manufacturing employment reached a new record. Heightened activity was indicated in all provinces except Prince Edward Island.

Owing to improvement in general business, a near-record crop on the Prairies, and the war effort, a material decrease has been shown in the total number of persons on relief from 1,028,000 in March, 1939, to 768,000 in March, 1940—over 25 p.c. The greatest decline was shown in the number on agricultural relief. The number of wage-earners unemployed was placed at 367,000 in April of this year compared with 473,000 in the same month of 1939, a decrease of 22.5 p.c.

Banking.—During the past year the commercial banks continued to consolidate their strong liquid position. Assets, one of the best measures of expansion, reached a total of \$3,822,000,000 at the year end, a gain of nearly \$400,000,000 or 11 p.c. over the same date in 1938. The demand for current loans improved during 1939, the average being \$854,500,000 compared with \$786,100,000 in the preceding year. The peak, \$972,800,000, was reached at the end of November.

Bank deposits continued their upward surge to a new record. Total securities held by the banks were also at new highs, the monthly average reaching