

years. However, the loss occasioned by the Saskatchewan drought was more than sufficient to counterbalance gains in value made in the production of other provinces, notably Manitoba, Alberta, and British Columbia.

Mining again gave evidence of its dynamic leadership by establishing a new record for the third consecutive year in the net value of its output. It should be noted that since the War of 1914-18 the mining industry has nearly tripled its annual contribution to the net value of Canada's production. In 1937 there was added a net value, after all deductions, of \$373,000,000, a gain of nearly 28 p.c. over the preceding year. The development of base-metal mining deserves special mention. Each of the metals was produced in much greater volume while the volume of gold production was more than double that of eight years earlier.

Operations in the forestry group were greatly expanded in the year under review, with record production in newsprint at higher price levels and increased export trade in lumber. A gain of more than \$52,000,000 or 22.7 p.c. over 1936 was indicated. Substantial advances in forestry employment indexes confirmed the gain in value.

The net value of fisheries showed a minor rise over 1936, when a record salmon catch had been taken. The increase was limited to less than 1 p.c. or \$205,000. The trapping season was much more profitable with a net value of \$10,500,000, or a gain of nearly 14 p.c. over the preceding year.

The electric power industry continued to establish new records in 1937, the net value being over \$140,000,000, an advance of nearly 6 p.c. over 1936. During the past decade the capacity of hydro-electric installations has more than doubled, and mining and other industries are using more and more electricity in their processing work.

The net value of construction completed in 1937 was \$176,000,000, a gain of \$40,000,000 or about 30 p.c. over the preceding year. This was the largest percentage increase registered in any main industrial group. Building material prices also showed an advance of over 11 p.c.

Manufacturing operations gathered momentum during the year, the volume output having been equal to that of 1929. The net value of manufacturing on the revised basis was over \$1,500,000,000 in 1937, a gain of nearly 17 p.c. or \$217,000,000 from the preceding year. A considerable part of the expansion occurred in the production of durable goods and industrial equipment, particularly in the iron and steel and automobile industries.

A revision of the groups under the heading of custom and repair established this industry on a somewhat lower basis than shown for 1936 in the 1939 Canada Year Book, the "custom clothing" group having been considered more germane to a retail trade classification. Accordingly, the net value of custom and repair work in 1937 was placed at \$79,100,000, a gain of 11.5 p.c. over the revised estimate of \$70,900,000 in 1936.

Comparing the growth of primary and secondary industries, it is observed that the primary group registered a net advance of 10.3 p.c. in 1937 over 1936, compared with a net increase of 17.7 p.c. for secondary production. The official price index of producers goods reached 75.8 in 1937 compared with 72.4 in 1936, whereas the index of consumers goods moved forward to 77.2 from 74.7, indicating a closer approach to a price parity between the two great branches of the national economy.