

ings might properly be charged to current expenses, but if these exploratory workings open up new ore resources and become the channel by which such ore is utilized, such workings become part of the productive plant and as such their cost is an item of capital. On the other hand, after an orebody is exhausted, much of the mining plant has practically no resale value and, for this reason, many companies write off such capital value of their plant during profitable years of operation. In these circumstances, the actual amount of capital employed in mining enterprises is uncertain and the figures of capital given in Tables 7 and 8 should be used with such reservations in mind.

**Employees.**—Tables 7 and 8 also show the numbers of persons directly employed in the operating mineral industries. These figures, however, do not include those engaged in prospecting and exploration for individuals or small syndicates from whom no returns can be obtained, amounting probably in the aggregate to a considerable number. Neither do the figures include consulting geologists and mining engineers nor contract diamond drillers and their respective organizations.

**Commodities and Services Purchased.**—In addition to the expenditures for remuneration of those directly employed in the mineral industries, statistics are collected annually of expenditures for fuel and electricity, but the figures prior to 1935 given in Tables 7 and 8 are exclusive of the fuel and electricity used in metallurgical processes, such as reduction furnaces, electrolytic cells, etc. The mining industry expends annually large additional sums for the purchase of equipment, machinery, explosives, and a great variety of other supplies, and for freight and insurance. In special investigations made to obtain an estimate of these expenditures, firms engaged in all the mineral industries were circularized regarding such expenditures in 1934 and 1935 while, for 1937, a similar survey covered operators in the metal-mining and smelting industries only. For the earlier surveys returns received covered fairly completely the operating firms in the metal-mining and fuel industries, but in the other groups of mineral industries, where there are many small operators of gravel pits, small quarries, etc., the returns were much less complete. Furthermore, no attempt was made to reach prospectors and small development parties, though their aggregate expenditures, with the exploratory activity that exists at present, would amount to a large sum. The figures resulting from the surveys\* of 1934 and 1935 must, therefore, be regarded as suggestive rather than by any means comprehensive and the investigation for 1937 was confined to that portion of the mineral industry which could be most readily and completely covered. In 1935, the reported expenditures amounted to almost \$85,000,000. Of this, freight and express made up 14.7 p.c.; electric power, 12.6 p.c.; fuel and lubricants, 11.7 p.c.; timber and building materials, 7.8 p.c.; explosives, 6.5 p.c.; insurance, 6.0 p.c.; and the remaining 40 p.c. consisted of a great variety of purchases such as machinery and tools, railway equipment, electrical equipment, motor vehicles, rubber goods, chemicals, pipe, etc. The metal mines and smelters accounted for 77.7 p.c. of the expenditures and coal mines for 11.1 p.c. These expenditures for 1934 and 1935 are shown by commodity items, by industries, and by provinces at p. 356 of the 1937 Year Book. Expenditures during 1937 are shown by principal commodities in the statement at p. 329 of the 1939 Year Book. The comparable expenditures

\*The results of these surveys are given in the special reports of the "Consumption of Supplies by the Canadian Mining Industry" for 1934 and 1935, and in special bulletins on the consumption of supplies by the gold-mining and the base-metal mining, smelting, and refining industries in 1937, published by the Mining, Metallurgical and Chemical Branch of the Dominion Bureau of Statistics, and obtainable from the Dominion Statistician.