

and Refining Limited, at Great Bear Lake; and the improvement and extension of aeroplane landing fields in the Mackenzie District. In the latter part of 1943 there was a noticeable decline in gold-mining operations as a result of war conditions, but exploratory work and prospecting, particularly for strategic war minerals, were continued.

The Canol Project, which is more fully described at p. 316, involves an extensive drilling program to determine the productive capacity of the Norman oil-field; the construction of a pipeline from Norman Wells, N.W.T., to Whitehorse, Y.T.; and the erection of an oil refinery at Whitehorse. By Jan. 1, 1944, a total of 32 wells had been drilled under the Canol Project and, of these, 25 yielded oil in commercial quantity. The potential production of these new wells is estimated to be in excess of the capacity of the pipeline, which is rated at 3,000 barrels daily. The welding of the pipeline was completed early in 1944. Production of oil and gasoline at Norman Wells for civilian requirements and military use in the Territories in 1943 showed a marked increase over previous years.

The mining property of Eldorado Mining and Refining Limited, which was closed temporarily in 1940 owing to the loss of European markets, was reopened in August, 1942. War-time demands for concentrates, from which radium and uranium salts are extracted, have kept the mill at Great Bear Lake working at full capacity. These concentrates are shipped to the company's refinery at Port Hope, Ont., for treatment.

As a necessary means for the more effective prosecution of the War, the Government of Canada on Jan. 27, 1944, acquired all properties and assets of Eldorado Mining and Refining Limited by expropriating all shares of the company. Operations will be carried on by a Crown company known as Eldorado Mining and Refining.

Labour shortages brought about by war conditions and the transfer of workers to other parts of the country resulted in a decline in mining development and gold production in the Yellowknife area. In 1941 there were six gold mines in production. Two mines suspended operations in 1942, and by the end of 1943 only one property, Negus Mines, Limited, remained in production. The value of gold produced in the Territories in 1942 was \$3,826,669, a new record, and the value of silver produced for the same period was \$9,500. In 1943, the value of gold production was approximately \$2,300,000, and that of silver \$6,300. The total value of gold produced in the Northwest Territories since the commencement of operations in 1938 to the end of 1943 was approximately \$13,100,000. The value of silver produced during the same period was approximately \$31,000.

Aerial transportation is a very important factor in the commercial life of northern Canada, and has greatly assisted in the opening up of new mining areas. The construction of landing fields at many of the larger settlements in the Mackenzie River Basin now permits the operation of wheel-equipped aircraft the year round, and thus affords a rapid and convenient service to the Mackenzie District for passengers, express and postal matter.

The demands made on companies engaged in water transportation in the Territories were exceedingly heavy in the period under review, when the freight tonnage carried to meet the requirements of civilian enterprise and defence projects exceeded all previous records.

Fur and game continued to be plentiful, and fur prices remained at high levels. The Dominion Government reindeer experiment in the northern Mackenzie District continued to make progress. A detailed description of this enterprise will be found at pp. 17-23.