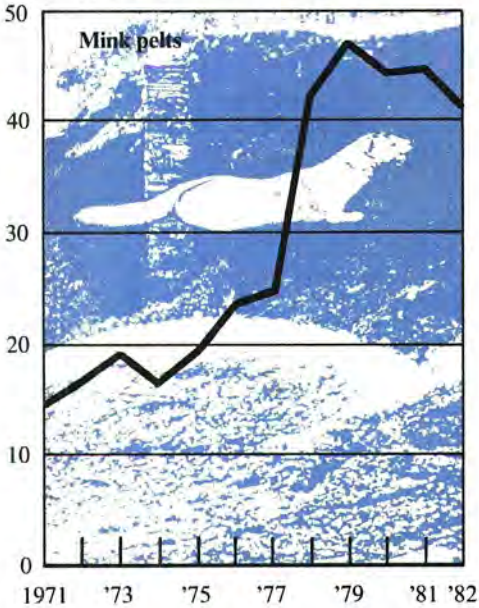


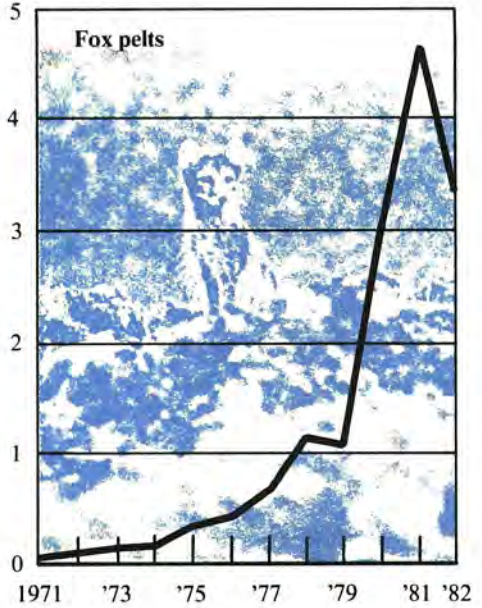
Chart 8.3

Pelts produced on fur farms

Millions of dollars



Millions of dollars



In earlier years a mink business was started by acquiring a small number of breeding animals and building up from that point. Entry into the business on a scale that would hold the promise of some return on investment within a reasonable time now involves a high outlay of capital; this is a limiting factor in attracting newcomers to the industry.

In fox farming, pelt production increased by 60.7% to 16,632 in 1981 from 10,348 in 1980. Total value of pelt production increased to \$4.6 million in 1981 from \$3 million in 1980. There were 415 fox farms across the country in 1981; the number had been increasing yearly from 39 in 1971. The increase in production continued a trend begun in the mid-1960s. Returns for ranched fox pelts rose sharply during the 1970s as the market for all long-haired furs improved. Value per pelt reached a high of \$364.42 in 1978 but declined to \$278.79 in 1981.

Fur marketing. The bulk of Canada's fur production is sold at public auction through five fur auction firms in Montréal, North Bay, Winnipeg, Regina and Vancouver. Furs are purchased through competitive bidding by buyers who may be purchasing for their own account or for firms in Canada or abroad. Canadian furs are usually sold in the raw or undressed state, facilitating entry into the many

countries which maintain tariffs on imports of dressed furs.

In 1980-81 exports of raw furs amounted to almost \$135.0 million, down from the 1979-80 value of \$178.6 million but up from the 1978-79 value of \$116.3 million. Imports for 1980-81 totalled almost \$152.2 million, up from the total of \$140.2 million in 1979-80 but below the \$168.2 million of furs imported in 1978-79. In 1980 exports of fur garments amounted to \$127.9 million, the highest value on record for this class of export.

The export of fur fashion garments on an important scale is a fairly new development on the Canadian fur scene. Historically, Canadian exports of furs have consisted mainly of undressed pelts from fur farms and the trapline. There are fairly definite limits to which this type of export can be developed. The production of wildlife pelts is relatively limited but showed an increase during 1979-80.

In the fur manufacturing industry no such limits apply. Other factors, however, are present, principally import tariffs and competition from fur manufacturers in the importing countries. A high degree of efficiency in design and manufacture is required by Canada to compete, and there is a growing export group among Canadian fur manufacturers which is extending the horizons of this formerly domestic industry.