

market conditions have prevailed in the case of copper, lead and zinc. Output of the Canadian iron and steel industry has improved to such an extent that imports of primary shapes have been lower and exports higher than in 1952. Mineral production suffered considerably from the effects of labour disputes in 1953.

Production of crude petroleum has expanded in 1953 and imports have tended to level off. Exploration and development in the petroleum and natural gas industries have continued, but the emphasis in these industries has been increasingly on processing, transportation and marketing. In the case of natural gas this phase has involved complex problems that remain to be solved.

Partly as a result of the growing popularity of oil and gas as household fuels and the increasing use of diesel locomotives, both domestic consumption and imports of coal have been declining. This, together with a drop in exports in 1953, has reduced output and employment in the coal-mining industry.

The output of the Canadian chemicals industry also increased in 1953, principally in the first half of the year. This resulted not only from the opening of new capacity but also from the increased productivity of modernized existing plant. A rise in both exports and imports in the first half of the year resulted chiefly from sale of soda compounds and fertilizers to the United States and purchase of plastics materials from that country.

During 1953, the Canadian pulp and paper industry has continued to operate at a high rate of output. Wood-pulp was produced at a rate above that of 1952 during a good part of the year, and newsprint output showed somewhat less expansion. A heavy increase in the domestic use of newsprint, together with slightly greater American buying, more than offset declining exports to other countries. The expanding domestic market has also stimulated the increasing output of fine papers. During the first half of 1953, Canadian lumber production exceeded the 1952 rate, although neither domestic nor export sales kept pace during the early months of the year.

*Agriculture.*—Canadian agriculture has, in 1953, experienced another year of high production. Grain crops have been again exceptionally large, with wheat output estimated at 614,000,000 bu. This is second only to the all-time record set in 1952 which, in turn, had followed an unusually good crop in 1951. Despite record export sales, bumper crops in three successive years, together with good harvests in 1953 in other important grain-producing countries, have greatly increased Canada's available supply of grains. Harvests of fodder, fruit and vegetables in 1953 have not been as uniformly favourable as in the case of grains, less than average crops having been obtained for certain products particularly in the case of certain fruits.

Cattle marketings have increased substantially in 1953 but prices have been lower. In the United States, also, marketings have been heavy, resulting in prices too low to attract Canadian beef and cattle. As a result, despite the lifting of the United States embargo on live-stock products early in the year, cattle and beef exports to that market have been extremely low. On the other hand, hog marketings