

Estimate of Canada's Mineral Production in 1944

Canada's mineral production in 1944 was valued at \$482,260,463, according to a preliminary estimate issued by the Dominion Bureau of Statistics, a decrease of \$48,686,000 or 8.6 per cent from the preceding year and the lowest value recorded since 1939. The reduction was principally in the metals group. The total value of all metals produced was \$307,336,217, a decrease of 14 per cent or \$49,476,000 from 1943. On the other hand, the total value of fuels increased 10 per cent to \$99,375,445, mainly accounted for by the increased price for coal. The industrial minerals total was down 12 per cent to \$54,201,000. Structural materials showed little overall change, the estimated value being \$41,348,000 as compared with \$42,010,000 in 1943.

The production of gold was adversely affected by the labour situation in 1944 and the output fell to 2,885,474 fine ounces, a decrease of 21 per cent from the preceding year and the lowest since 1931. Notwithstanding this reduction, considerable prospecting activity was evidenced in Ontario, Quebec and in the Northwest Territories. Much new ground was staked and diamond drilling was very active.

Reductions were recorded in the production of the principal base metals. Copper output amounted to 547,943,586 pounds as compared with 575,190,132 pounds in 1943, lead 301,073,919 pounds as compared with 444,060,769, nickel 275,213,106 pounds as compared with 288,018,615, and zinc 561,072,538 pounds as compared with 610,754,354 pounds.

After two years of war, and when it became apparent that there might be shortages in metals that had been formerly imported, or were in great demand for war purposes, efforts were made to locate and develop properties containing them. As a result, Canada was soon able to report production of such metals as tungsten, mercury, molybdenum, chromite and magnesium.

In 1944 chrome concentrates production declined slightly and with the improved supply position the Chromerairie property in Quebec closed down in September. Stocks of tungsten are considered adequate to meet domestic requirements for some time. The 1944 production of magnesium at 10,659,335 pounds shows an increase of 50 per cent over 1943. Due to a world over-supply of mercury, production at the two properties in British Columbia ceased during the year. Production of silver decreased 22 per cent during 1944 to 13,586,502 fine ounces, while the output of tin declined to 516,600 pounds from 776,937 in 1943.

Shipments of iron ore, beneficiated siderite, by the Algoma Ore Properties Limited, a subsidiary of the Algoma Steel Corporation Limited, continued in 1944. Also, one of the most outstanding mining events of the year was the commencement of shipments of iron ore by Steep Rock Iron Mines Limited. Here it was necessary to divert the flow of the Seine River by an elaborate engineering project and to pump the lake down to a level that would expose the orebody which underlies it.

The coal situation in Canada in 1944 was marked by a further drop in production and by a decrease in the number of plants. Coal mine labour continued to be the determining factor in production and the wastage due to age and mortality was not made up by young men entering the industry. The assistance given the industry by the release of 2,000 soldier coal miners on leave has been the only factor that has enabled the mines to hold production at present levels. The 1944 output was recorded at 17,118,008 tons as compared with 17,859,057 tons in 1943.

Natural gas production increased four per cent to 45,956,800,000 cubic feet during 1944, while the output of crude petroleum rose to 10,071,100 barrels, an increase of five per cent. The increase at the Fort Norman wells in the Northwest Territories more than made up for the drop in the Alberta output. Production from New Brunswick and Ontario showed little change from 1943. Considerable drilling and exploratory work was carried on in various parts of Canada in the search for new sources of oil.

Shipments of asbestos decreased to 372,973 tons from the 1943 total of 467,196 tons. Barite output increased from 24,474 tons in 1943 to 114,387 tons in 1944, and the production of gypsum rose 14 per cent to 510,224 tons. Salt production at 716,875 tons was four per cent higher than in 1943 and constituted a record; more than half of the total output goes into the manufacture of heavy chemicals.

The value of production of the structural materials group of minerals declined very slightly from 1943. The value of clay products was about \$300,000 higher; cement and lime outputs were down 1.6 per cent, and the output of sand and gravel and stone was about five per cent less than in 1943.

World Wheat Situation

The wheat harvest is now being completed in both Australia and Argentina with production estimated as being well below average in both countries. The first official estimate of the Argentine crop is 166.7 million bushels as compared with an average crop of 240 million bushels for the ten-year period 1932-41. Australia's new crop is still estimated at 50 million bushels as compared with the 1932-41 average of 162 million bushels. The combined contribution of these two southern hemisphere countries to the world's wheat supply is, therefore, little more than fifty per cent of the average.

Since Argentina will carry over approximately 150 million bushels of unsold wheat into the new crop year her total available supplies in 1945 will approximate 315 million bushels. If allowance is made for a domestic consumption of 110 million bushels for seed, feed and food in 1944-45 Argentina will still possess over 200 million bushels for export in this new crop year or carry-over at November 30, 1945.

Wheat exports from Argentina during the war years have been ranging from 72 to 134 million bushels. In the crop year ending November 30, 1944 export shipments totalled about 92 million bushels. In addition to the exportable surplus of 200 million bushels there remains in Argentina some 30 million bushels under contract to Spain. Thus, it appears likely that there will be a substantial carry-over in this South American country at November 30, 1945. This situation may be modified, however, if the progress of the war should make more shipping available. The foregoing analysis, moreover, leaves out of account the possible use of wheat for fuel in 1945. Short of coal and petroleum, Argentina burned over 50 million bushels of wheat in 1943-44.

Rather than adding to the world's exportable surplus Australia has this year produced little more than half of her own domestic needs. In the light of requirements for the armed forces in the Southwest Pacific and the high rate of disappearance of wheat into domestic feed channels government officials in Australia have stated that it may be necessary to import wheat in the coming year. The removal of acreage restrictions in Australia in 1945 under these circumstances would not be surprising.

Decreasing stockpiles of wheat in the southern hemisphere are offset by continued large supplies in North America. United States wheat supplies appear sufficient to permit exports of up to 100 million bushels in the current crop year. Canada's stockpile of wheat, over and above domestic requirements, exceeded 550 million bushels at December 1.

With this supply picture as background members of the Dominion-Provincial Agricultural Conference, meeting in Ottawa during the first week in December, recommended that wheat acreage in Canada be reduced to 21.5 million acres in 1945. It was felt that an increase in coarse grain acreage to provide feed reserves for the present large live-stock population was desirable. Emphasis was also placed upon the desirability of maintaining summerfallow acreage in the Prairie Provinces as a measure of protection against low yields during the following year. Although agricultural leaders are anxious that Canada should be in a position to meet any demands for wheat which may be made upon her they do not wish to see this country carrying a burdensome surplus over into the post-war period.

Department Store Sales in November

Dollar sales of Canadian department stores in November were 15 per cent greater than in the corresponding month of 1943, and advanced 17 per cent above sales recorded in the preceding month. Unadjusted indexes of sales, on the base 1935-1939=100, stood at 225.4 for November, 193.1 for October and 196.0 for November, 1943. During the first 11 months of 1944, sales averaged 11 per cent higher than in the similar period of the preceding year.

Country General Store Sales in November

Sales transacted by country general stores during November were seven per cent higher than the volume of business realized in the corresponding month of 1943. The increase reflects a greater purchasing power resulting from grain and livestock movements. The

general unadjusted index of sales, on the base 193 -1939=100, stands at 166.1 for November 1944 as compared with 156.1. During the first 11 months of 1944, sales averaged 9.4 per cent higher than in the comparable period of 1943.

Financing of Motor Vehicle Sales in November

New and used motor vehicles financed by finance companies during November totalled 2,303 units with a financed value of \$1,053,637, a reduction of 17 per cent in number and 10 per cent in amount of financing from the 2,766 vehicles financed in November 1943 for \$1,181,104. Included in the November 1944 totals were 227 new vehicles financed to the extent of \$267,266. There were 2,162 new vehicles financed during the first 11 months of 1944 as compared with 941 in the same period of 1943. Used vehicles financed in the January to November period numbered 29,255 as compared with 36,292 in 1943.

Car Loadings on Canadian Railways

Car loadings on Canadian railways for the week ended December 23 fell to 62,790 cars from 67,474 for the previous week but were considerably higher than the 52,425 cars recorded for the corresponding week last year. The Christmas holiday falling on Saturday last year undoubtedly reduced loadings in 1943.

Grain loadings rose from 5,536 cars in 1943 to 6,935 cars, livestock from 2,128 to 2,792 cars, coal from 4,976 to 5,882 cars, pulpwood from 1,377 to 1,929 cars, pulp and paper from 2,578 to 3,186 cars, lumber, lath and shingles from 2,143 to 2,664 cars, automobiles and parts from 1,084 to 1,403 cars and fresh vegetables from 472 to 998 cars. Logs and other forest products fell from 1,830 to 1,581 cars and hay and straw from 828 to 452 cars.

Canada's External Trade in November

Canada's external trade, excluding gold, was valued at \$459,090,000 in November as compared with \$478,500,000 in the preceding month and \$453,723,000 in November, 1943. During the first 11 months of 1944 the aggregate value was \$4,844,630,000 as compared with \$4,293,593,000 in the corresponding period of 1943, an advance of \$551,037,000 or 12.8 per cent.

Domestic merchandise exports in November were valued at \$312,491,000 as compared with \$313,962,000 in October and \$289,912,000 in the corresponding month of 1943. During the first 11 months of 1944 the total rose to \$3,173,074,000 from the \$2,688,904,000 recorded in the comparable period of 1943, an increase of \$504,170,000 or 18.9 per cent.

Commodity imports in November were valued at \$141,617,000 as compared with \$160,050,000 in October and \$160,311,000 in November 1943, the aggregate for the first 11 months of 1944 standing at \$1,631,682,000 as compared with \$1,600,205,000 in the similar period of 1943, a rise of \$31,477,000.

Foreign merchandise exports in November amounted to \$4,982,000 as compared with \$4,487,000 in the preceding month and \$3,500,000 in November 1943. The total for the first 11 months of 1944 was \$39,875,000 as compared with \$24,485,000 in the like period of 1943.

Canada's Merchandise Imports in November

Canada's merchandise imports in November were valued at \$141,617,000 as compared with \$160,311,000 in the corresponding month of 1943, a reduction of 11.7 per cent. The value during the first 11 months of 1944 aggregated \$1,631,682,000 as compared with \$1,600,205,000 in the comparable period of 1943, a minor advance of \$31,477,000.

The United States was the leading source of supply, the November valuation of imports from that country standing at \$116,087,000 as compared with \$130,935,000, and the 11-month total at \$1,344,281,000 as compared with \$1,312,168,000. Imports from the United Kingdom in November were valued at \$11,137,000 as compared with \$12,803,000, and the 11-month figure, \$101,204,000 as compared with \$126,398,000.

Imports from British India in November were valued at \$2,517,000 as compared with \$1,771,000 in November 1943, from Venezuela \$1,374,000 as compared with \$463,000, Colombia \$1,094,000 as compared with \$1,279,000, Newfoundland \$1,004,000 as compared with \$703,000, Mexico \$988,000 as compared with \$799,000, Ceylon \$614,000 as compared with \$14,000, and Barbados \$605,000 as compared with \$1,093,000.

The following were amongst the leading commodities imported during November, totals for the corresponding month of 1943 being in brackets: fruits, \$4,223,000 (\$3,385,000); cotton, \$9,674,000 (\$8,221,000); wool, \$2,560,000 (\$6,403,000); rolling mill products, \$4,682,000 (\$4,307,000); engines and boilers, \$3,403,000 (\$5,835,000); farm implements, \$2,517,000 (\$1,535,000); machinery, other than agricultural, \$5,618,000 (\$8,221,000).

Other large imports included the following: vehicles, \$6,944,000 (\$8,137,000); electrical apparatus, \$3,739,000 (\$4,828,000); coal, \$10,164,000 (\$10,061,000); petroleum products, \$8,632,000 (\$8,247,000); chemicals, \$6,654,000 (\$6,677,000); tea, \$1,685,000 (\$851,000); furs, \$1,369,000 (\$878,000); glass and glassware, \$1,402,000 (\$836,000); clay products, \$1,394,000 (\$1,171,000).

Storage Stocks of Creamery Butter, Cheese and Eggs in Nine Principal Cities on January 1

There were 25,214,131 pounds of creamery butter on hand in nine of the principal cities of Canada on January 1 as compared with 34,650,268 pounds on December 1 and 30,339,932 pounds on January 1, 1944. Cheese stocks were reduced to 29,740,434 pounds. On December 1 there were 31,213,364 pounds on hand, and on January 1, 1944, 32,203,295 pounds. Frozen eggs totalled 21,836,731 pounds as compared with 28,392,542 on December 1 and 4,999,998 pounds on January 1, 1944.

Business Conditions in 1944

Economic activity reached a new maximum in the year just ended, as measured by the information relating to the first eleven months. The volume of production in the first part of the year surpassed all previous records and the recession in later months was of relatively minor proportions. Consequently the high levels of 1943 were exceeded and the year's output constituted a new high point in the history of the Dominion. The revival of enemy resistance in Europe has retarded the conversion to civilian production and war supplies are still being turned out in heavy volume.

Business operations in Canada which had shown a declining trend during the first ten months were practically maintained in November. The index of the physical volume of business in final form was 227.9 against 228.0 in the preceding month.

The factors indicating the trend of commodity distribution recorded a considerable increase while the other four main components reached a lower position. The index of mineral production was 192 against 209. The output of coal was 1,637,863 tons against 1,532,295 in October, the index rising about eight points to 99.2. Gold receipts at the Mint were 239,567 fine ounces against 222,542.

The index of manufacturing receded about one point in November, the standing having been 284.7. Greater activity was shown by the meat packing industry, the index of slaughterings rising from 169 to 208. The output of dairy products was at a higher level after seasonal adjustment. The index of tobacco releases advanced more than eleven points to 199.9. Boot and shoe production showed a decline in the latest month for which statistics are available. Considerable increase was shown in the raw cotton consumed by textile mills. The index of forestry operations dropped about four points to 124.6. The operations of the newsprint industry were at a slightly higher level after the usual adjustment.

The new business obtained by the construction industry showed a considerable recession in November, the general index receding from 113.4 to 92.7. The output of electric power was at a somewhat lower level, the index declining four points to 148.5.

The index of distribution rose from 162 to 171. The railway traffic was at a considerably higher point, the index of tons carried rising from 144.4 to 164.4. Retail sales and distribution from wholesale outlets recorded a considerable increase in the latest month for which statistics are available. Imports showed decline in November from the high level of the preceding month, the total having been \$141.6 million against \$160.1 million. The value of commodities exported was practically maintained after

seasonal adjustment the total having been \$317.5 million against \$318.4 million.

The index of grain and livestock marketings rose from 110.7 in November to 133.4 in the month under review. Considerable increases were shown both in grain and live-stock marketings. The index of cold storage holdings receded from 181.5 to 180.7 on December 1.

Economic Activity in November compared with the Preceding Month
1935-1939=100

	1944	
	November	October
Physical Volume of Business	227.9	228.0
Industrial Production	255.4	259.7
Mineral Production	191.7	208.9
Gold Receipts	71.6	63.2
Coal Production	99.2	91.3
Manufacturing	284.7	285.8
Flour Production (x)	125.9	143.6
Rolled Oats Production (x)	97.0	110.0
Inspected Slaughterings	208.1	169.4
Cattle	159.8	125.7
Sheep	127.4	77.4
Hogs	249.6	207.7
Creamery Butter	120.8	112.8
Factory Cheese	203.0	151.5
Tobacco	199.9	188.7
Cigar Releases	132.9	123.7
Cigarette Releases	205.3	194.0
Boots and Shoes Production (x)	149.0	126.1
Textiles	134.4	133.0
Cotton consumption	139.7	132.0
Forestry	124.5	128.5
Newsprint	97.7	96.6
Iron and Steel	558.0	573.3
Pig Iron Production	222.7	271.7
Steel Production	251.7	259.3
Construction	92.7	113.4
Contracts Awarded	85.0	106.2
Building Permits	123.2	141.9
Cost of Construction	135.7	135.7
Electric Power	148.5	152.4
Distribution	171.1	162.4
Marketings -		
Grain and Live Stock Marketings	133.4	110.7
Grain Marketings - Country Elevators	135.0	111.1
Wheat	212.7	122.3
Oats	124.7	251.7
Live Stock Marketings	126.7	108.9
Cattle	125.1	101.6
Calves	86.2	96.2
Hogs	139.9	144.1
Sheep	176.7	109.4
Cold Storage Holdings, 1st of following month	180.7	181.5
Butter	104.9	105.0
Cheese	155.0	137.5
Beef	127.6	181.1
Pork	156.8	173.4
Mutton	76.4	75.1
Poultry	250.6	466.7
Lard	230.1	246.5
Veal	160.0	164.3

(x) Preceding Month

Stocks and Marketings of Wheat

Stocks of Canadian wheat in store or in transit in North America on December 28 totalled 371,561,727 bushels as compared with 358,506,146 on the corresponding date in 1943. Stocks on the latest date included 327,046,305 bushels in Canadian positions and 44,515,422 bushels in United States positions.

Deliveries of wheat from farms in the Prairie Provinces during the week ending December 28 amounted to 4,939,594 bushels as compared with 8,726,233 in the preceding week. From August 1 to December 28 marketings totalled 219,944,080 bushels as compared with 117,596,911 in the corresponding period of the preceding crop year.

The following quantities of coarse grains were also delivered from Prairie farms during the week ending December 28, totals for the preceding week being in brackets: oats, 1,991,233 (1,691,901) bushels; barley, 1,002,542 (1,502,092); rye, 35,736 (81,127); flaxseed, 41,525 (88,080).

December 1 Cost of Living Index Number

The Dominion Bureau of Statistics cost of living index number on the base 1935-1939=100 declined from 118.9 for November 1 to 118.5 for December 1, 1944. This change was wholly accounted for by a reduction in the food group index from 131.6 to 130.3, with lower prices for eggs, vegetables and fruits contributing the major portion of the decline. The December 1944 cost of living index compares with a 1943 year-end figure of 119.3, and 115.8 on December 1, 1941, when maximum price regulations went into effect. Group indexes other than foods remained unchanged for December 1944 as follows: rentals, 112.0; fuel and light, 108.1; clothing, 121.6; homefurnishings and services, 118.4; and miscellaneous items, 108.9.

Reports Issued During the Week

1. Preliminary Estimate of Canada's Mineral Production, 1944 (10 cents).
2. Financing of Motor Vehicle Sales, November (10 cents).
3. Indexes of Country General Store Sales, November (10 cents).
4. Department Store Sales, November (10 cents).
5. Car Loadings on Canadian Railways (10 cents).
6. Monthly Review of the Wheat Situation (10 cents).
7. Advance Preliminary Statement of Stocks of Butter, Cheese and Eggs
in Nine Principal Cities, January 1 (10 cents).
8. Imports of Principal Countries, November (10 cents).
9. Summary of Canada's Imports, November (10 cents).
10. Trade of Canada, November (10 cents).
11. Price Movements, December (10 cents).

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