WEEKLY BULLETIN

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Weekly Review of Economic Conditions

Six important factors indicating economic conditions averaged lower in the second week of October. Prices of high-grade bonds and common stocks were constructive, while the index of wholesale prices was fully maintained. Declines were shown in carloadings, bank clearings and in the volume of speculative trading. The average for the week under review was lower than in the same week of 1938, declines having been shown in each of the economic factors except carloadings and wholesale prices.

The railway freight movement showed some decline from the preceding week but remained much higher than in the same week of last year. The index was 88.0 against 90.1 in the preceding week. A decline was shown in the western division while a moderate increased was recorded in the east. The surplus over the movement of the first forty weeks of 1938 was 50,821 cars. Declines were shown in pulp wood, merchandise l.c.l. and miscellaneous commodities, while the eight other groups recorded advances.

Wholesale prices were fully maintained in the week of October 12th, the index remaining at 78.0. Grain prices strengthened moderately on the Winnipeg Exchange, no. 1 Northern wheat having been 70 7/8 against 69¼. Metal prices were steady on the New York commodity exchange. Advances were recorded in American quotations for coffee, pig iron, rubber, and raw cotton.

Common stock prices were stronger in the week of October 12th, the index rising from 101.1 to 103.4. Advances were recorded in each of the industrial groups except pulp and paper which remained unchanged. The index of 15 power and traction stocks advanced from 56.1 to 57.6. Long-term bond prices moved slightly higher in the latter half of the week ended October 12th. The average yields of the issues comprising the index receding from 3.63 to 3.52. Advances were recorded in more recent quotations. The 4½'s of 1947-57 rose from 105¾ on October 10th to 106 3/8 on the 17th. The weekly index was 105.2 in the week of October 14th against 107.0 in the preceding week, the decline having been 1.7 p.c. The standing was 109.1 in the week of October 15, 1938, a decline of 3.6 p.c. having been shown from that period.

Weekly Index with the Six Components

1926=100

Week Ended	Car loadings[1]	Wholesale prices	Capitalized Bond Yields[2]	Bank Clearings[3]	Prices of Common Stocks	Shares Traded	Weekly Index[4]
Oct. 15, 1938	77.8	74.3	157.7	96.4	110.0	172.5	109.1
Oct. 7, 1939	90.1	78.0	133.9	104.6	101.1	304.3	107.0
Oct. 14, 1939	88.0	78.0	137.7	93.4	103.4	137.3	105.2

1. The index of carloadings is projected forward one week to correspond with the practice in computing the weekly index. 2. Present value of a fixed net income in perpetuity from Dominion long-term bonds. 3. Bank clearings were smoothed by taking a three weeks moving average for the purpose of eliminating irregular fluctuations. Totals for Ottawa were eliminated for all weeks shown, owing to incomparability introduced by the operations of the Bank of Canada. 4. The weighting of the six major factors is determined from the standard deviation from the long-term trend of each, based on data for the period from January 1919 to August, 1936. The weighting therefore represents, not an attempt to give the relative importance of the factors, but to place them on an equal footing by equating the tendency toward fluctuation. The long-term trend determined from half-yearly data in the post-war period was eliminated from the composite and the resulting index expressed as a percentage of the average during 1926.

Trend of Canada's Trade in September

Although a single month of war is not of great significance as showing the trend of Canadian trade, yet it is very interesting to observe what has happened since hostilities commenced at the beginning of September.

Canadian exports not only held their own but they increased quite definitely. The total of $81,461,000, exclusive of gold, was a 12.8 per cent increase over September last year. To the United Kingdom at $29,189,000 the advance was one per cent and to the United States at $34,132,000 it was no less than 35.9 per cent.

There were very large increases in the exports to British India, 151.3 per cent, Ceylon 100 per cent, Denmark 344.6 per cent, Japan 281.9 per cent, Hawaii 298.7 per cent, Venezuela 146.2 per cent, British South Africa 88.8 per cent.

The exports to India were mainly automobiles and parts and calcium carbide, to Denmark wheat, salmon, copper and asbestos, to Japan nickel, aluminium, asbestos, copper, hemlock logs and sulphite pulp, to Hawaii almost all fertilizer, to Venezuela milk powder, newsprint and sewing-machines, to Ceylon newsprint, and to British South Africa railway rails, automobiles and parts.

The following were the outstanding decreases: Russia 97.9 per cent, Italy 62.7, Germany 87.7, Hong Kong 65.2, and Malta 55.9.

It should be remarked that many Canadian consignments to countries mentioned were made before Canada had been declared in a state of war.

Canada's Exports in September

Canada's domestic exports in September 1939 were valued at $81,462,619 as compared with $72,296,271 in September last year. The figures in both cases refer to commodity trade only, excluding gold. Exports of leading items in September 1939 with figures for September 1938 in parentheses, were as follows: wheat, $10,654,517 ($8,410,294); wheat flour, $1,185,310 ($1,230,963); fish, $3,179,532 ($2,981,433); furs, $524,707 ($518,427); meats, $2,224,840 ($2,424,883); cheese, $1,221,307 ($2,050,404); planks and boards, $5,051,628 ($3,014,793); wood pulp, $2,200,372 ($2,304,564); newsprint, $9,872,464 ($8,523,555); automobiles and parts, $1,029,419 ($1,412,446); copper, partially manufactured, $4,563,819 ($4,703,938); nickel, unmanufactured, $6,866,866 ($4,976,553).

For the nine months ended September 1939 domestic exports amounted to $636,309,984 as compared with $594,547,845 in the first nine months of last year. Principal items, with comparative statistics for the nine months ended September 1938 in parentheses, were as follows: wheat, $55,863,129 ($52,029,010); wheat flour, $10,082,114 ($13,140,211); fish, $19,739,200 ($18,743,317); furs, $11,671,868 ($11,070,280); meats, $24,127,852 ($27,196,687); cheese, $6,425,902 ($7,203,418); planks and boards, $35,018,830 ($25,774,057); wood pulp, $20,371,748 ($20,399,961); newsprint, $81,180,060 ($73,892,415); automobiles and parts, $20,653,903 ($20,115,972); copper, partially manufactured, $40,116,529 ($37,688,658); nickel, unmanufactured, $42,667,632 ($38,943,370).

Exports of foreign produce in September 1939 amounted to $995,397 and in the nine months ended September 1939 to $7,731,539, compared with $902,883 and $8,188,692 in September 1938 and the nine months ended September 1938, respectively.

Domestic Exports to the United States

Canada's domestic exports to the United States in September were valued at $34,132,000 compared with $25,121,000 in the corresponding month last year, an increase of $9,011,000. The aggregate for the first nine months of 1939 was $233,105,000 as compared with $189,344,000 in the same period of 1938, a gain of $43,761,000. The figures quoted refer to commodity trade only and do not include gold.

The September export to the United States of principal commodities affected by the Canada-United States trade agreement was as follows, with figures for September, 1938, in brackets: newsprint paper, $8,278,086 ($7,149,027);non-ferrous metals and products, $3,491,222 ($1,399,094); wood pulp, $2,024,757 ($1,855,191); softwood planks and boards and square timber, $1,304,533 ($997,230); fish, $1,063,332 ($1,014,160); pulpwood, $1,049,846 ($1,511,194); whiskey, $962,658 ($764,737); cattle, $895,148 ($605,499); shingles, $749,732 ($750,915); asbestos and asbestos sand and waste, $621,536 ($388,721).

September Exports of Grains and Flour

The September export of wheat was 15,641,142 bushels compared with 12,614,858 a year ago, and the value was $10,654,517 compared with $8,410,294. Wheat to the United Kingdom aggregated 7,805,741 bushels and to the United States 6,176,033. Practically all of the wheat consigned to the United Kingdom went via Canadian seaports. Indeed, with the exception of less than 4,000 bushels all of the Canadian wheat for the United Kingdom in August and September, amounting to 13,484,872 bushels, went via Canadian seaports.

Wheat flour exported in September was 416,553 barrels at $1,185,310, compared with 319,739 barrels at $1,230,963 in September last year. The amount to the United Kingdom was 197,741 barrels, which was considerably in advance of the 148,492 barrels shipped a year ago.

The September export of barley was 2,108,324 bushels at $1,010,240, which was slightly below last year in volume but slightly higher in value. The export of oats was 360,519 bushels at $142,477, which was about 200,000 bushels less than a year ago. The rye export of 301,850 bushels at $169,892 was a considerable advance. Half of the barley went to the United States and most of the remainder to the United Kingdom; the oats export, which usually goes in heavy volume to the United Kingdom, was much less than usual to that country, and the rye export went mainly to the United States.

August Imports of Footwear

The August imports of footwear, except rubber, were valued at $347,742 compared with $157,424 in July and $250,238 in August, 1938. The amount from the United States at $285,621 was a feature of these imports; the boots and shoes entered by tourists under the $100 exemption privilege amounted to $121,214, of which $119,094 came from the United States. The amount from the United Kingdom under the same privilege was $1,853, Bermuda $11, Newfoundland $100, British Guiana $45, Belgium $25, China $2, Finland $3, France $53, Germany $3, Hawaii $7, Italy $4, Japan $2, Mexico $3, Norway $3 and Switzerland $6.

Ladies' boots and shoes with leather uppers at $163,413 represented almost half of the total footwear imports, and of that $146,511 came from the United States. The amount from Germany was $6,533, which probably represented the regular importation of ladies' footwear which used to come from Czecho-Slovakia. There was an unusually large consignment at $6,544 from Switzerland. Also as usual a large proportion of men's footwear with leather uppers came from the United Kingdom, $31,239 out of $37,616.

Fresh Vegetables

Imports of fresh vegetables in August amounted to $91,471 compared with $288,231 in July and $33,486 in August, 1938. Most of these came from the United States, with much smaller quantities from the United Kingdom, Hong Kong, Japan, and China. Most of the imports from Japan were mushrooms and truffles.

The exports of fresh vegetables amounted to $45,985 compared with $18,659 in July and $28,656 in August last year. Most of these went to the United Kingdom and the British West Indies.

Soap

Imports of soap in August totalled $37,637 as against $47,680 in July and $41,633 a year ago. The amount from the United States was $23,947 and from the United Kingdom $8,932. Among the interesting consignments were 61,863 pounds of castile soap from France, 276,633 poundsof laundry soap from the United States, which accounted for most of the imports from that country, $476 of toilet soap from Germany and $138 from Palestine.

Canadian exports of toilet soap amounted to $34,416 and $1,082 of other soaps. The exports were only about one-third of a year ago; the United Kingdom was the chief purchaser.

August Imports of Crude Petroleum

Imports of crude petroleum were higher in August, amounting to 165,420,000 gallons compared with 139,442,000 in July and 132,190,000 in August, 1938. The bulk came from the United States, totalling 124,645,000 gallons, followed by Venezuela at 24,613,000 gallons and Colombia 16,162,000. Eight-month imports advanced to 801,568,000 gallons from 745,321,000 in the corresponding period last year.

Imports of Alumina

Canada imported 1,593,678 cwt. of alumina including bauxite in August compared with 1,577,687 in July and 716,858 in August, 1938. British Guiana contributed 1,399,789 cwt., the United States 193,654 and the United Kingdom the balance.

August Imports of Lumber

There were 7,754,000 feet of lumber imported during August, of which the United States contributed 7,698,000 feet. In July imports totalled 5,636,000 feet and in August last year 7,711,000 feet. The total during the eight months ended August was 45,184,000 feet as compared with 58,568,000 in the same period of 1938.

Imports of Fresh Fruits

Canada's August imports of fresh fruits were of the value of $1,641,796 as compared with $1,496,074 in the previous month and $1,275,870 in the corresponding month last year. All but $169,179 was imported from the United States. Imports during the eight months ended August aggregated $10,355,436 as compared with $9,605,747 in the corresponding period of 1938.

Vehicles Imports

The imports of vehicles in August amounted to $2,082,441 compared with $1,656,848 in July and $1,798,730 in August, 1938. The amount from the United States was $2,003,096 and from the United Kingdom $79,086. Imports from the United States were mainly automobile parts. Imports of bicycles were chiefly from the United Kingdom.

August Imports of Rubber

The August imports of raw rubber amounted to 4,553,281 pounds compared with 7,088,022 in July and 4,104,744 in August last year. Imports in the first eight months were 7,000,000 pounds greater than in the same period last year. The quantity from the Straits Settlements in August was 3,570,404 pounds, from Ceylon 743,320.

Fertilizers

Fertilizers imported in August were of the value of $350,663 compared with $243,584 in July and $276,938 a year ago. These came from many countries, principally the United States, United Kingdom, France, Germany, Belgium and the Netherlands.

Exports amounted to $352,108 compared with $434,531 in July and $381,610 a year ago. They were mainly ammonium sulphate, cyanamid, tankage, bone meal and fish offal, going principally to the United States, Dutch East Indies, Hawaii, Costa Rica, Guatemala, Panama, Portuguese Africa, Porto Rico and the British West Indies.

Sheet Metal Products

Imports of stoves, sheet metal products and refrigerators in August had a value of $148,796 compared with $159,847 in July and $183,725 in August a year ago. Most of these came from the United States, with smaller quantities from the United Kingdom, Germany, Netherlands, France, Switzerland and Sweden.

Visible Supply of Wheat

A further advance was recorded in the amount of Canadian wheat in store during the week ended October 13, the total being 319,973,052 bushels as compared with 306,363,555 in the previous week and 171,440,563 in the corresponding week last year. The amount of Canadian wheat in the United States was 13,427,000 bushels as compared with 14,441,000 in the previous week and 3,361,000 a year ago.

Primary Movement of Wheat

Wheat receipts in the Prairie Provinces for the week ending October 13 totalled 19,884,476 bushels as compared with 23,765,554 in the previous week and 11,142,554 in the corresponding week last year. The receipts were as follows, by provinces, with totals for the corresponding week last year in brackets: Manitoba, 594,020 (675,212) bushels; Saskatchewan, 11,766,609 (4,262,145); Alberta, 7,503,847 (6,205,197).

Marketings in the three provinces for the eleven weeks ended October 13 aggregated 270,267,174 bushels compared with 194,478,540 bushels in the same period last year. The amounts were as follows, by provinces: Manitoba, 45,607,666 (36,972,621) bushels; Saskatchewan, 154,811,929 (77,924,332); Alberta, 68,847,579 (79,581,587).

Export Clearances of Wheat

Overseas export clearances of wheat from Canadian and United States ports during the week ended October 13 amounted to 1,163,329 bushels, while the imports into the United States for consumption and milling in bond were 268,000 bushels, totalling 1,431,329 bushels. This compares with 3,330,849 bushels for the corresponding week in 1938.

The accumulated total of export clearances during the eleven weeks ended October 13 was 24,412,134 bushels and the import into the United States for the same period was 1,680,000 bushels, amounting in all to 26,093,134 bushels as compared with 29,055,246 bushels a year ago.

Grain Situation in Argentina

The correspondent of the Dominion Bureau of Statistics in Buenos Aires reports under date of October 4 that the first estimate shows a total area of 33,729,000 seeded acres, which is smaller than that of last season by 642,000 acres. Wheat at 18,533,000 acres was a decrease of 11.2 per cent, which is officially stated to be due principally to the low quotations for that grain throughout the seeding season. An added factor was the lack of rain, especially in the western region which had been affected by soil erosion in recent years.

Retail Trade in Quebec

Retail trading in Quebec province was well maintained in 1938, dollar sales for the year at $561,192,000 standing within one per cent of the $565,921,000 recorded for 1937 and exceeding by 13 per cent the amount of business transacted in 1936. Indexes of sales on the base 1930=100 stand at 86.2 for 1938, 86.9 for 1937 and 76.5 for 1936. The proportion of the total retail trading transacted by chain stores remained unchanged from 1937 at 14.7 per cent.

Retail Trade in the Maritimes

Retail sales in the Maritime Provinces amounted to $178,578,000 in 1938, a drop of 4.9 per cent from the sales of the previous year, but nevertheless a gain of 7.2 per cent over the sales of 1936. Direct comparison between 1938 and the low point reached in 1933 reveals a 37 per cent improvement although sales last year were still 9.7 per cent below the 1930 level. The index of sales for 1938 on the base 1930=100 stands at 90.3 compared with 95.0 for 1937, 84.3 for 1936, 77.3 for 1935 and 65.8 for 1933.

Department Store Sales

Sales of Canadian department stores rose sharply during the first month of the war, increased purchasing, especially of clothing and dry goods, resulting in aggregate dollar volume for September standing 45 per cent above August and 13 per cent above September, 1938. Unadjusted indexes, on the base 1930=100, stood at 88.6 for September, 61.3 for August and 78.4 for September, 1938.

Railway Revenues in July

Canadian railways earned a total of $27,794,454 in July compared with $25,773,078 in July last year. For January - July gross revenues aggregated $180,975,300 as compared with $174,590,556 in the corresponding period of 1938.

Summary of September Canal Traffic

A sharp advance was recorded in the September traffic using Canadian and United States locks of the Sault Ste. Marie Canals, the total being 11,492,582 tons as compared with 6,624,115 in September, 1938. Welland ship Canal traffic dropped to 1,564,487 tons from 1,785,768, and that on the St. Lawrence Canal to 1,216,010 tons from 1,295,614.

Production of Automobiles in September

Production of motor vehicles in September totalled 3,921 units compared with 3,475 in the previous month and 6,089 in September, 1938. The total for the first nine months of 1939 was 110,286 units compared with 123,706 in the same period of 1938.

The September output included 3,494 passenger cars and 427 trucks, of which 3,467 passenger cars and 427 trucks were made for sale in this country and the balance of 27 passenger models were intended for export.

Financing of Motor Vehicle Sales

The number of new and used automobiles financed during the first month of war declined 15 per cent below September, 1938, while the corresponding decline in amount of financing was 16 per cent. The improvement in the trend of motor vehicle financing which was evidenced in results for four previous months was thus brought to a halt.

Volume in financing in September, 1939, totalled 10,128 units with a financed value of $4,100,668, compared with 11,863 vehicles financed for $4,889,261 in the same month last year. During the first nine months of the current year, 119,836 vehicles have been financed for an amount of $49,222,174, 10 per cent in number and 14 per cent in amount below the 132,596 units financed for $57,020,710 in the corresponding period of 1938.

Building Permits for September

A considerable reduction was recorded in the value of the building authorized in 58 cities during September, when the value was estimated at $4,104,401, a decrease of $2,055,067 or 33.4 per cent from the total of $6,159,468 reported for August, and of $1,181,596 or 22.4 per cent in comparison with September, 1938, when the permits granted represented building estimated to cost $5,285,997.

The value of the building authorized in the first nine months of the present year was $43,911,494, being slightly in excess of the aggregate of $43,183,393 recorded in the same period of 1938. The wholesale prices of building materials have recently been lower than in the same months of either 1937 or 1938, although they continue higher than in any of the years, 1931 - 1936.

Shipments of Rigid Insulating Board

Domestic shipments of rigid insulating board were considerably heavier in September, amounting to 3,813,949 square feet as compared with 2,686,792 in August and 2,986,541 in September, 1938. Shipments during the nine months ended September aggregated 27,455,960 square feet as compared with 27,729,840 in the corresponding period last year.

Sales and Purchases of Securities Between Canada and Other Countries during August

A small net inflow of capital to Canada in August was recorded in the trade in securities between Canada and other countries. Both sales and purchases declined from the levels of the previous month and total sales exceeded purchases by $1,485,000 compared with net sales of $3,240,000 in July. Sales of Canadian stocks on balance were mostly offset by net repurchases of Canadian bonds. Likewise net sales of United States stocks by Canadians were partly offset by net purchases of United States bonds. Sales exceeded purchases in August last year by $4,751,000.

Sales in August to all countries totalled $21,212,283 compared with $29,876,172 a year ago, while purchases amounted to $19,727,278 compared with $25,125,464. Sales to the United States were $16,358,682 compared with $23,087,664 and purchases $14,979,284 compared with $17,862,352. Sales to the United Kingdom amounted to $1,809,716 compared with $2,846,399, while purchases totalled $3,924,434 compared with $6,359,087.

Sales to all countries during the eight months ended August aggregated $241,630,870 compared with $233,252,436 in the corresponding period last year, while purchases totalled $177,833,586 compared with $206,646,583 a year ago.

Living Costs in Canada

The general level of living costs in Canada at the beginning of August was less than nine per cent above the depression low of 1933. It was 17 per cent lower than the 1926 average which is representative of the period of stable prices from 1922 to 1930 following post-war readjustments. In 1920 at the peak of post-war inflation, living costs reached a level approximately 50 per cent above August 1939 levels after doubling in the preceding seven years. The greatest rise at that time came not during the war years, but in 1919 and the first half of 1920. Different budget groups contributed to those fluctuations by widely varying amounts, with foods and clothing being mainly responsible for major changes which have occurred in living cost levels.

The August 1939 index for retail food prices was 74.9 which compared with a 1933 depression low of 60.4, a post-war peak of 149.7 in 1920, and a 1913 average of 66.2. Food price averages moved down more than seven per cent during the year ended August 1939. Although the retail food price index for that month was materially above the 1913 average, a great many food staples were cheaper than in 1913. This was true of lard, eggs, butter, flour, prunes, and coffee. However, most meats were higher than at that time, and so also were milk, cheese, bread, rolled oats, rice, sugar and potatoes.

Gold Mining in 1938

The quantity and value of gold produced in Canada in 1938 were the greatest ever recorded in the history of the Canadian mining industry; the amount from all primary sources totalled 4,725,117 fine troy ounces valued at $166,205,990 compared with 4,096,213 at $143,326,493 in 1937. Of the total output in 1938 the mines of Ontario contributed 2,896,477 fine ounces, Quebec 881,263, British Columbia 605,617 and Manitoba 185,706; lesser quantities were recovered in the Yukon, Saskatchewan, Nova Scotia, the Northwest Territories and Alberta.

According to preliminary statistics of world production, Canada ranked third as a gold producing country in 1938, being surpassed in output by only the Union of South Africa and Russia; the mine output of recoverable gold in the United States in 1938, and not inclusive of the Philippine production, was reported by the United States Bureau of Mines, in a preliminary statement, at 4,243,712 fine ounces.

The total production of gold in the world since the discovery of America has been estimated at 1,294,935,511 fine ounces; production in the United States since 1792 at 249,850,780 fine ounces; production in the Transvaal since 1884, the commencement of the fields, 340,091,604 fine ounces, and 65,131,533 fine ounces valued at $1,650,506,113 in Canada since the first recording of gold statistics in 1858.

The estimated average price per ounce of fine gold, expressed in Canadian currency, was $35.17 in 1938 compared with a price of $34.99 in 1937. Practically all of Canada's newly-mined gold bullion is sold to the Dominion Government through the Royal Canadian Mint at Ottawa or the Assay Office at Vancouver. This gold is refined, converted into fine gold bars weighing approximately 400 ounces each, and is disposed of in world markets wherever the most advantageous net price can be obtained.

Where Germany Has Been Getting Tungsten

The metal tungsten is a strategic mineral of primary importance because of certain valuable qualititics it imparts to steel when alloyed with it. Its principal use at the present time is in the manufacture of high-speed tool steels so essential for the rapid production of all forms of projectiles, ordnance and similar munitions. Tungsten enters into the manufacture of armour plate, armour-piercing projectiles, gun liners and aeroplane engines. It is also used in filaments for electric light bulbs and radio tubes. Alloyed with aluminium it is employed in automobile construction, and with aluminium and copper in propeller blades. It is an important constituent of the alloy called 'Stellite.'

China is the principal source of tungsten, contributing about half of the world's supply. It is a Government monopoly in that country. The Sino-Japanese hostilities commencing in August, 1937, caused concern in the world market regarding continuation of supplies from that source. However, as none of the largest area where tungsten is mined has been affected in any way, the principal result of the Japanese invasion was a re-routing of the flow of concentrates.

About one-quarter of the world's supply comes from the British Empire, notably Burma, but the production in British Malaya, Australia and British Africa is of growing importance. The United States, Sweden, Egypt, French Indo-China, Korea and Portugal are the largest producers amongst other countries.

There is no production in Germany listed by the Imperial Institute. Germany, therefore, is a large importer of tungsten. In 1938 it was receiving its supply from the following countries: China 8,962 metric tons, Burma 1,295, Bolivia 761, Australia 715, Portugal 658, British India 471, British Malaya 407, others 931.

Germany in 1937 was the largest importer of tungsten of any world country, totalling 11,192 long tons. The United Kingdom imported 8,676 long tons, and Russia 2,179. In 1938 Germany increased its importation to 14,200 metric tons.

Several deposits of tungsten-bearing minerals are known to occur in Canada but only comparatively small shipments of tungsten ores have been made. In 1938 there were 30 tons of ferro-tungsten valued at $69,806 consumed in Canada in the manufacture of steel.

Note: A long ton contains 2,240 pounds, a metric ton 2,204.6 pounds, and a short ton, which is used almost invariably in Canada, 2,000 pounds.

Where Germany Has Been Getting Copper

It is not only interesting but certainly important to Canadians to know definitely where Germany stands in relation to her industrial production. It is important to know what an effective blockade of Germany by sea may accomplish.

For Germany is an outstanding example among industrial nations of a country whose domestic economy and industrial progress are dependent on foreign trade -- maximum exports of manufactured products to offset necessary imports of raw materials.

Germany has no adequate foreign credits and, in the absence of these, has been developing a foreign trade based upon the principle of purchasing raw materials, which are necessary to her, from those countries that are willing to accept German products as payment.

As a result Germany's import trade has shifted considerably from some countries to others. This change and the dependence of Germany upon the importation of certain important raw materials, which that country must have, may be illustrated by the record of rough copper.

In 1937 Germany produced 65,500 long tons of copper. In 1938 Germany imported 272,400 metric tons of rough copper and alloys, of which Rhodesia contributed 76,500, United States 62,330, Chile 40,007, Belgian Congo 39,931, Canada 18,995, Finland 13,030, Yugoslavia 7,011, Sweden 6,244, Belgium 5,932, others 2,420.

Besides the rough copper, Germany in 1938 imported copper, including burnt cupreous pyrites, to the amount of 653,931 metric tons, as follows: from France 155,869, British possessions in Mediterranean 141,451, Netherlands 114,287, Belgium 53,711, Denmark 50,289, Norway 36,077, United Kingdom 32,055, Spain 26,563, Eire 11,043, others 32,556.

There were also 27,308 metric tons of copper coin and scrap imported by Germany as follows: United States 11,452, United Kingdom 8,839, Sweden 1,637, Netherlands 1,261, Denmark 934, Australia 886, others 2,299.

In 1932, six years before, British South Africa supplied Germany with 19 per cent of the latter's total imports of rough copper, whereas in 1938 the quantity from the same country was 28 per cent; the quantity from the United States rose from 16 per cent to 23 per cent; Chile from 13 per cent to 15 per cent, Belgian Congo from 14 per cent to 15 per cent. However, from Belgium the amount dropped from 12 per cent to two per cent; from Yugoslavia from 11 per cent to three per cent and from other countries from 15 per cent to 14 per cent.

The total production of copper in Czechoslovakia in 1937 was 599 long tons, and in Austria 2,000, but none is reported from Poland. The production of copper in Russia in 1937 was 90,000 long tons.

Where Germany Has Been Getting Iron

Of vast importance during both peace and war is the iron industry. In utility it transcends all other metals, entering into a tremendous number of activities in our daily life. Its scope is so large and its use so well known that it seems needless to attempt to detail it. It is especially necessary in war time. The largest current customer of the iron and steel industries, however, is the automobile.

Germany, like several of the other leading industrial countries, has not sufficient home production to satisfy her needs and accordingly has been a large importer of iron ore, pig iron and ferro-alloys. Germany's production of iron ore in 1937 was 7,660,897 metric tons and 15,957,364 metric tons of pig iron. Her imports of iron ore in 1938 amounted to 21,927,539 metric tons, pig iron 444,910 metric tons, old and scrap iron 1,146,027 metric tons, along with rough blooms, ingots and bars, ferro-manganese, ferro-silicon and other ferro-alloys.

The iron ore was imported from the following countries: Sweden, 8,992,331 metric tons, France, 5,056,121, Luxemburg 1,718,049, Newfoundland 1,121,515, Norway 1,118,065, Spain 1,082,551, Algeria 755,454, Spanish Africa 724,549, British West Africa 461,523, Greece 249,373, others 648,008.

Pig iron was received from the following countries: France 170,891 metric tons, Belgium 86,874, Spain 52,147, British India 34,992, Netherlands 23,534, Great Britain 23,092, Sweden 16,956, Luxemburg 13,291, others 23,143.

Imports of old and scrap iron were as follows: United States 244,842 metric tons, Great Britain 117,818, Netherlands 93,680, France 82,560, Luxemburg 58,219, Dominican Republic 12,597, Cuba 8,773, Sweden 8,056, others 56,698.

Austria in 1937 produced 1,884,694 metric tons of iron ore and 387,118 of pig iron, while Czecho-Slovakia produced 1,816,696 metric tons of iron ore in 1937 and 1,650,000 metric tons of pig iron.

No iron ores have been mined in Canada for some years, although in the past there was some mining and smelting in Nova Scotia, New Brunswick, Quebec and Ontario. Nova Scotia, with its large iron and steel industry, is not a producer of iron ore. The large deposits of high-grade ore in Newfoundland are much more readily accessible and of a higher and more constant grade than the iron ore deposits in Nova Scotia.

Iron ore was first mined and smelted in the province of Quebec early in the eighteenth century, and from that time until 1883, the industry was carried on almost continuously at Three Rivers in the St. Maurice district.

More iron ore has been produced in Ontario than in any other province; in Northwestern Ontario, about 1899, a deposit of hematite was found. This was the main source of Ontario's iron ore output for a number of years. The province has a large supply of low-grade iron ore, but extensive processing must be applied to make it suitable for commercial use. There has been a revival of iron ore mining in Ontario since the new Helen Mine in northwestern Ontario recommenced production in 1939, its shipments being sent to Sault Ste. Marie for smelting.

Different varieties of iron ore are found in various parts of British Columbia, the most important of which are the magnetite deposits which occur on the islands along the coast.

Imports of iron ore into Canada during 1936 totalled 1,317,033 short tons valued at $2,633,925 compared with 1,509,933 tons worth $2,960,207 in 1935. Of the 1936 imports, 755,414 tons worth $1,598,704 came from the United States, 489,036 tons at $873,393 from Newfoundland, 36,209 tons at $82,962 from Brazil, 10,808 tons at $19,071 from Morocco and 8,316 tons worth $28,413 from Norway.

Reports Issued During the Week

1. Weekly Index Numbers of Wholesale Prices (10 cents).
2. Sales and Purchases of Securities Between Canada and Other Countries, August (10 cents).
3. Births and Deaths in Canada Classified According to Residence of Decedents, 1936 (Three Parts, 25 cents each).
4. Monthly Financing of Motor Vehicle Sales, September (10 cents).
5. Building Permits for September (10 cents).
6. Canadian Grain Statistics (10 cents).
7. Operating Revenues, Expenses and Statistics of Railways, July (10 cents).
8. Department Store Sales, September (10 cents).
9. Automobile Production, September (10 cents).
10. Summary Review of the Gold Mining Industry, 1938 (25 cents).
11. Car Loadings on Canadian Railways (10 cents).
12. Canada's Imports by Principal Countries, August (10 cents).
13. Trade Trends with Empire Countries, August (10 cents).
14. Retail Merchandise Trade, Quebec, 1938 (10 cents).
15. Retail Merchandise Trade in the Maritime Provinces, 1938 (10 cents).
16. Tobacco Crop Report (10 cents).
17. The Grain Situation in Argentina (10 cents).
18. Summary of Canal Traffic, September (10 cents).
19. Domestic Exports by Principal Countries, September (10 cents).
20. Rigid Insulating Board Industry, September (10 cents).
21. Imports of Rubber, August (10 cents).
22. Imports of Vehicles of Iron, August (10 cents).
23. Imports of Paints and Varnishes, August (10 cents).
24. Imports of Stoves, Sheet Metal Products, Refrigerators, August (10 cents).
25. Imports and Exports of Fertilizers, August (10 cents).
26. Imports and Exports of Pickles and Preserved Vegetables, August (10 cents).
27. Living Costs in Canada, 1913 - August, 1939 (25 cents).
28. Imports and Exports of Canned and Preserved Fruits, August (10 cents).
29. Imports and Exports of Toilet Preparations, August (10 cents).
30. Imports and Exports of Soap, August (10 cents).
31. Imports and Exports of Fresh Vegetables, August (10 cents).
32. The Footwear Trade of Canada, August (10 cents).
33. Imports and Exports of Pipes, Tubes and Fittings, August (10 cents).
34. Imports of Non-Ferrous Ores and Smelter Products, August (10 cents).
35. Imports of Lumber, August (10 cents).
36. Imports of Petroleum and Its Products, August (10 cents).
37. Summary of Exports of Canadian Grains and Flour, September (10 cents).
38. Imports and Exports of Fresh Fruits, August (10 cents).
39. Security Prices and Foreign Exchange (10 cents).
