

Causes of Post-War Expansion

If we seek the special causative forces behind this rapid expansion, we find that the first great lurch forward came from the war itself. Under the pressure of war demands, we expanded enormously our industrial plant, modernized our equipment and built up a skilled labour force. We learned to manufacture the most complicated implements of war not only for ourselves but for our allies, and our businessmen found to their own surprise that when they had orders sufficient to warrant production on an optimum scale they could produce a great variety of articles as efficiently and cheaply as any other nation.

The great magnitude of, and pride in, our war effort were to bring new confidence not only to businessmen but to the whole Canadian people. The cautious attitude which had been fostered by experience with the economy's vulnerability in earlier periods began to give way to a more buoyant faith in the solid future of the country. This new faith grew with what it fed on, but without generating the excessive speculative fever that marked some earlier periods in our history.

The post-war period has also been a period of rather rapid population growth. Partly as a result of natural increase, partly as a result of a more vigorous immigration policy (which economic expansion has made practicable), and partly as a result of the voluntary accession of Newfoundland (which has also rounded out our physical boundaries), our population has increased by 17.4 per cent from mid-1946 to 14.4 million in mid-1952. In the same period your population grew by about 11 per cent. The 28 per cent expansion of the Canadian population since 1939, coupled, of course, with the large contemporaneous increase in your population, the market at our doors, has naturally had vital significance for Canadian trade and industry.

Role of Natural Resources

A more spectacular source of the dynamism in the Canadian economy has been the success which has attended the vigorous search for hidden riches in the natural resources field. The Laurentian Shield, the V-shaped area of rock which constitutes the geological backbone and more than half the area of Canada, is not only the world's oldest rock but also probably its greatest treasure-trove of mineral wealth. Promising mineral areas are also to be found in the Cordilleran region of the Pacific Coast and the Appalachian region of the Maritime Provinces. In between the Rocky Mountains and the Pre-Cambrian rocks of the Laurentian Shield and stretching from the international boundary to the Arctic Ocean lie nearly a million square miles of interior plain underlain by sedimentary rocks of Post-Cambrian origin with geological formations similar to those of the most prolific oil and gas producing regions of North America.

Most of Canada's earlier mineral discoveries were either the result of accident or the work of poorly-equipped individual prospectors, and thus in large part limited to cases where outcropping of rocks laid bare the earth's secrets. In the last few years, the aerial survey, the magnetometer, the seismograph and other modern gadgets have revolutionized the art of exploration and in Canada have given rise to a regular rash of new discoveries.