

the production process. For purposes of ordinary economic discussion, the net figures should be used in preference to the gross, because of the large amount of duplication which the latter includes on account of the necessity of making the individual items self-contained.

Interpretation of Items.—The primary industries of agriculture, fishing, forestry, mining, etc., are separated in this statement from the secondary or manufacturing processes. The close association between the two and the overlappings that are apt to occur have already been pointed out. As further explaining the procedure that has been followed in drawing up the tables the following notes are appended:—

AGRICULTURE.—Dairy factories are included under this heading; farm dairy products (gross) include the milk consumed whole and sold to dairy factories, and butter, etc., made on the farm.

FORESTRY.—Forestry production is understood to consist of the operations in the woods as well as those of saw mills and pulp-mills, the latter being limited to the making of first products such as lumber, lath, shingles, pulp and cooperage stock.

FUR PRODUCTION.—The item of fur production is limited to wild life production. To obtain a total of the peltries produced in Canada, it would be necessary to add to the wild life output the production of pelts on fur farms.

MINERAL PRODUCTION.—Under mineral production all items are included that might be allocated to "manufactures". Considerable overlapping exists as between "mineral production" on the one hand and "manufactures" on the other. The Bureau presents the detailed statistics of these groups (the chief of which are smelters, brick, cement, lime, etc.) in its reports on mineral production, since their product is the first to which a commercial value is ordinarily assigned.

TOTAL MANUFACTURES.—The figure given for the heading is a comprehensive one, including the several items listed with the extractive industries above, though also frequently regarded as "manufactures", viz., dairy factories, fish canning and curing, saw-mills, pulp-mills, shipbuilding and certain mineral industries. This duplication is eliminated from the grand total as well as from "manufactures, *n.e.s.*" listed in Table 3.

MANUFACTURES, *n.e.s.*—The figures given for manufactures, *n.e.s.*, are exclusive of the value of the products of all manufacturing processes closely associated with the extractive industries that are frequently included under this heading; hence it is obvious that the grand total is equivalent to an amount obtained by adding the values for manufactures, *n.e.s.*, and for the other eight divisions.

Total Net Value of Production.—Approximately two-thirds of the gainfully employed persons in the Dominion produced in 1922 goods having a net value of \$2,951,000,000. This amount compares with a net production of \$2,815,000,000 in 1921 and \$3,745,000,000 in 1920. "Net" production represents the value left in the producers' hands after the elimination of the value of the materials consumed in the production process, such as seed in the case of field crops and food in the case of farm animals.

Importance of the Several Branches of Production.—Agriculture, which had yielded precedence to manufactures in the two preceding years, moved into first place in 1922 as the chief wealth producing industry in Canada, the net out-