

out of a total Canadian production of \$72,200,000. The 13 plants of Ontario had a production of \$13,400,000, and 4 mills in the Maritime Provinces, 3 in New Brunswick and 1 in Nova Scotia, had an output of \$7,100,000.

2.—The Automobile Industry.

The growth of the automobile industry is one of the most striking industrial developments of the present century. Twenty-five years ago the automobile was emerging from the experimental stage and the world output was only a few thousand cars. In 1923 the United States alone produced 4,000,000 cars. The passenger automobile is coming to be regarded as a necessity of life. Truck development has been more gradual, because of the investment in established methods of shipping, yet industry in general is coming to look upon the truck as the efficient haulage unit for short distances and especially for less than carload shipments.

The automobile industry to-day is not only one of the most important of modern industries, but has given a great impetus to other important industries, notably the production of plantation rubber. The stimulus to the rubber industry may be appreciated by the statement that on the average every car requires one-eighth of an acre of rubber trees for the maintenance of its tires, so that the demand for rubber in the manufacture of tires has far outstripped all its other uses. Another consequence of the increasing use of automobiles is the remarkable coincident growth of the petroleum industry. While the demand for kerosene and fuel oil is an important consideration, the growth of the oil industry in the last decade has been mainly due to the insistent demand for gasoline arising out of the widespread use of the motor car.

Another industry closely inter-related with motor transportation is that of highway construction. The advent of the motor car has given the movement for improved highways a great impetus, and the extension of hard-surfaced roads during the last five years has far exceeded the records of any corresponding period in the history of the country. On the other hand, any extension of improved highways reacts on the motor industry, inevitably leading to a greater demand for cars.

Growth of the Canadian Industry.—Canada's automobile industry, while one of the youngest of our manufactures, is already one of the most important. The manufacture of automobiles, trucks and accessories dates back only a few years to the time when the Canadian demand for these products became sufficient to stimulate the growth of a purely Canadian industry, as well as to encourage the establishments of branch plants by American concerns in the Canadian field. Following the rapid growth in the manufacture of motor vehicles in the United States after the turn of the century, the industry in Canada may be said to have had its beginnings between 1905 and 1910. The McLaughlin Motor Car Co. Ltd., of Oshawa, was formed in 1907, and contracts were made for Buick manufacturing rights in Canada. Chevrolet rights were acquired in 1915, and three years later came the enlargement of the two McLaughlin motor companies into a Canadian subsidiary of General Motors, known as General Motors of Canada, Ltd.

The Everitt-Metzer-Flanders Co. was incorporated under the laws of Michigan in 1908, and in the following year a Canadian plant for the assembling of automobiles was in operation. The company was merged into the Studebaker Corporation as at Dec. 31, 1910. To-day the Studebaker plant at Walkerville has a capacity of from 12,000 to 15,000 cars per annum, four new buildings containing 36,500 square feet of floor space having been erected in 1920. This establishment receives motors, transmission, axles, bodies and other parts from Detroit and South