

period from 1900 to 1912. The gross product of establishments with five hands or over increased from \$368,700,000 in 1890 to \$1,166,000,000 in 1910 and to \$1,381,500,000 in 1915. The fundamental advantages of the position of Canada, her abundant raw material, her inexhaustible water power, her growing home market in the expanding West, had contributed to this result.

In the present as in the past, Canadian manufacturing production has been chiefly dependent upon the use of Canadian raw material, though this is less true than formerly. Raw cotton, for example, is imported from the Southern States, hides from the Argentine, rubber from the Straits Settlements and Malay peninsula, sugar from Cuba and the British West Indies and wool from Australia and New Zealand, to supply the raw material for Canadian manufacturing industries.

**The Influence of the War.**—The influence of the war upon the manufactures of Canada was profound and far-reaching, tending to promote the diversification of product and the production at home of many commodities which had previously been imported. On account of the practical suspension of the importation of manufactured goods of many kinds from Europe, enterprising Canadian manufacturers were given opportunities of entering upon new lines of manufacture with practical control of the market. There was added to this the reflex effect of the great prosperity of agriculture, produced by the unprecedented prices of war-time, with the general result that industry worked at high pressure, not only to produce munitions and military supplies for the armies of the Allies, but also to make the manifold varieties of goods required for the stimulated civilian consumption. The world shortage of staple commodities, coupled with a strong domestic demand, gave Canadian industries in general a pronounced stimulus toward greater production, and in a great number of cases the capacity of manufacturing plants was increased; this increase created a demand for greater supplies of raw material. Incidentally, factory methods became more specialized and a high degree of administrative and mechanical efficiency was attained, and Canada, partly owing to the industrial inactivity of Europe, assumed a new position as one of the leading manufacturing countries of the world. The inflation of the war period led to unprecedented figures of values produced.

The great boom in Canadian manufactures described above reached its height in the summer of 1920, statistics for that year showing greatest gross and net value of products. Statistics for 1921, as published in Table 1, show a great decline in values, which does not mean a corresponding decline in quantity of production, though a certain decline undoubtedly took place. There was also some decline in 1922, followed, however, by a general improvement during 1923. It would appear, speaking generally, that manufacturing industry has made some recovery from the great depression of 1921 and that the rather low statistics for that year and for 1922 were not more representative of normal conditions in Canadian manufacturing industries than were the extremely high figures of 1920. During the early months of 1924 the general outlook was good, but expectations of greater activity were not fulfilled during the second and third quarters, and final statistics for that year will probably show little change from those of 1923. The outlook for 1925 is for a slight improvement.

## 2.—Statistics of Manufactures.

### 1.—Historical Statistics since 1871.

The growth of large-scale production in manufactures during the past fifty years is evident from the statistics of Table 1, though this tendency has been less marked