

difficulties of the present situation. Yet Canada is now not merely the second largest manufacturing country in the British Empire; her exports to the other Dominions consist largely of manufactured goods. The exports of manufactured and partly manufactured goods to the United States also exceed the exports of raw material. The rate at which this movement is to continue depends almost entirely upon growth within the Dominion—upon the further development of the many-sided physical assets of the country. A classification based on the chief component material of the various products in each manufacturing establishment was applied for the first time in the compilation of the returns for 1920. The number of groups was reduced from fifteen to nine to correspond with the external trade classification and the classes of industry were somewhat altered to conform with recent industrial development.

The Vegetable Products Group.—With the exception of rubber and sugar factories, the industries of this group are dependent mainly upon domestic farm products as raw materials. The milling industry, which has existed to meet domestic needs for more than 300 years, is one of the Dominion's oldest industries, but it is only within recent times that its progress has become spectacular. The war and the demand it created gave a great impetus to this trade, and the 560 flour mills, many of them of the most modern type and highest efficiency, have now attained a capacity far in excess of Canada's demands. During 1923, productive capacity reached about 125,000 barrels per day, and during the crop year ended July 31, 1924, about 10,000,000 barrels were exported to many countries, Great Britain receiving the largest consignments. The flour manufactured from Canadian hard spring wheat is particularly sought after in overseas markets and, with similar products, is finding a ready sale in the Far East, where bread is being consumed to a greater extent than formerly. Other industries contributing largely to food manufacture are sugar refineries and, to a lesser degree, plants engaged in the canning of fruits and vegetables.

Raw material imported from tropical countries forms the basis for an industry of a different character. Canada now stands fourth among the countries of the world as a manufacturer of rubber goods. Existing plants represent a capital of over \$56,000,000 and give employment to about 11,700 workers.

Animal Products.—Another form of food manufacture—that of slaughtering and meat-packing—has also made great strides. It comes as a surprise to many that slaughtering and meat-packing was until lately at the head of all other single industries in regard to the value of the products, and is now only surpassed by the pulp and paper, saw-milling and flour-milling industries. The leather industries have long been established on a considerable scale, mainly, of course, because the large number of cattle raised and slaughtered provide a ready supply of hides. There are large tanneries in the eastern provinces, and no fewer than 186 boot and shoe factories were in operation in 1923, chiefly in Quebec and Ontario, representing a total capital of nearly \$31,000,000, with an annual output of \$45,600,000, and employing 14,043 men and women. The canning and preserving of fish also calls for reference. Concentrated, naturally, upon the Pacific and Atlantic coasts, this industry has become one of the most important, not perhaps as much from the point of view of achievement as of promise. In 1923 there were in existence 938 establishments engaged in the canning, curing and packing of various kinds of fish. One recent development of great possibilities is the setting up of establishments to utilize the catches from the large northern lakes of the Prairie Provinces.