

individual manufacturer to supervise effectively a larger plant. The increase in the scale of production of the typical manufacturing establishment has been experienced in all industrial countries which have been affected by the so-called "Industrial Revolution", and not least in Canada, where the rise of the factory system in industry has taken place approximately since Confederation.

The size of the manufacturing establishment is generally measured either by the number of employees or by the value of product, but each of these methods has its limitations. The former takes no account of the differences in capital equipment at different times or in various industries; obviously the increased use of machinery, as in the flour-milling industry, may lead to increased production where there is no increase in the number of employees. The latter measure has to be adjusted for changes in the price level; and, as between industries, it makes those which handle expensive raw materials appear to operate on a larger scale. Both measures are subject to two limitations: first, they depend on the fluctuation of business activity and the demand of the consumer; secondly, over any lengthy period of time there is the difficulty of comparability resulting from changes in the method of the census.

Thus, while it is possible in a general way to state that the average size of the manufacturing establishment in Canada has increased between 1870 and 1925, the 1925 figures are not on the same basis as the 1870 figures, especially since they do not include all the small custom and repair establishments included at the earlier date. The same difficulty arises right up to the most recent times. It is only in the last few years that the statistics have been so analyzed as to be strictly comparable, and the results of this analysis are given in Tables 26 to 29.

Size as Measured by Gross Value of Products.—In Tables 26 and 27 the size of the establishments reporting to the Census of Manufactures is shown by the gross value of products—Table 26 giving comparative figures for 1922 (the first year for which the figures are available) and 1925, and Table 27 the figures by provinces for 1925.

The comparative Table 26 shows that, while in 1922 the 420 establishments which had each a gross production of over \$1,000,000 had an aggregate value of products of \$1,268,056,129 or 51.1 p.c. of the total production of all manufacturing industries, the 508 establishments producing over \$1,000,000 each in 1925 had an aggregate value of products of \$1,633,819,502, or 55.4 p.c. of the grand total for all manufacturing establishments—a very significant change in the short period of three years when the general trend of prices was not very greatly upward.

26.—Manufacturing Establishments, Classified according to Gross Value of Products, with Total and Average Values of Products in each Class, 1922 and 1925.

Gross Value of Products.	1922.			1925.		
	Estab-lish-ments.	Total production.	Average production.	Estab-lish-ments.	Total production.	Average production.
	No.	\$	\$	No.	\$	\$
Under \$25,000.....	14,978	114,205,770	7,625	13,767	128,136,892	9,308
\$ 25,000 but under \$ 50,000.	2,401	85,075,807	35,433	2,848	101,560,373	35,660
50,000 " 100,000.	1,793	129,320,947	72,125	1,965	138,666,931	70,568
100,000 " 200,000.	1,355	191,675,689	141,458	1,511	230,370,354	145,844
200,000 " 500,000.	1,078	330,533,712	306,617	1,234	351,156,927	308,879
500,000 " 1,000,000.	516	363,341,078	704,149	498	344,834,336	692,438
1,000,000 " 5,000,000.	364	692,463,530	1,902,372	427	850,283,857	1,944,459
5,000,000 and over.....	56	575,592,599	10,278,439	81	803,535,645	9,920,193
Total.....	22,541	2,482,209,130	110,119	22,331	2,948,545,315	132,636