Section 4.—Principal Factors in Manufacturing Production. Subsection 1.—Capital Employed.

In a retrospective study of capital employed in Canadian manufactures since 1900, the remarkable increase denotes rapid growth in industrial operations. From 1900 to 1905 the capital increased from \$446,900,000 to \$833,900,000, and advanced to \$1,958,700,000 in 1915. During this period returns were received from establishments with 5 hands and over, and while the rise of wholesale prices did not exceed 37 p.c., the capital employed in manufactures increased nearly 340 p.c.

The capital investment in 1926 in all establishments irrespective of the number of employees was \$3,981,569,590, as compared with \$3,808,309,981 in 1925, and with \$3,190,026,358 in 1921, an increase of 24.8 p.c. in 5 years.

The provincial distribution of the manufactures of Canada may be illustrated by the investments of capital. Capital employed in Ontario during 1920 was 49.5 p.c. of the total, 50.6 p.c. in 1921, 52.5 p.c. in 1923, 50.4 p.c. in 1925 and 49.8 p.c. in 1926. The percentage employed in the plants of Quebec was 30.5 in 1920, 30.8 in 1921, 29.9 in 1923, 29.9 in 1925 and 30.6 in 1926. British Columbia held third place in 1926 with a capital of 8.3 p.c. of the total, while Manitoba, Nova Scotia and New Brunswick followed in the order named, with proportions of between 2 p.c. and 4 p.c. each. (Table 15.)

From a survey of the industrial groups in which the capital of the country is invested, it appears that the wood and paper group led in 1926, with an investment of $23\cdot3$ p.c. of the total. The central electric station industry was second with $19\cdot0$, the iron and steel group third with $15\cdot0$, and the vegetable products group fourth, with $11\cdot3$ p.c. (Table 16).

The statistics of capital employed in the manufacturing industries are of interest in deducing the proportions of fixed and liquid assets. In 1921, lands, buildings and machinery constituted 60 p.c. of the total capital, while in 1923 the proportion had increased to 64 p.c., in 1924 to 65 p.c. and to 66 p.c. in 1925 and 1926. The fixed assets amounted to \$2,626,963,690 in 1926, while quick assets, including the materials on hand, stock in process, cash and sundries, were valued at \$1,354,605,900. Details by industrial groups and by provinces are given in Table 17.

15.—Provincial Distribution of Capital employed in the Manufacturing Industries of Canada, in Percentages, 1918-1926.

Provinces.	1918.	1919.	1920.	1921.	1922.	1923.	1924.	1925.	1926.
Prince Edward Island Nova Scotia New Brunswick Quebec Ontario Manitoba Saskatchewan Alberta British Columbia Yukon	0·1 4·3 2·5 28·5 49·9 3·3 1·2 28·1	0-1 4-1 2-8 29-3 49-0 3-3 1-0 1-9 8-4	0·1 4·2 3·1 30·5 49·5 3·4 0·9 1·8 6·5	0·1 3·3 3·1 30·8 50·6 2·9 1·7 6·5	0·1 3·3 2·5 29·9 52·3 2·7 1·7 6·5	0·1 3·2 2·5 29·9 52·5 2·7 0·9 1·8 6·5	. 0·1 3·1 2·5 29·5 51·8 3·1 0·9 1·9	0·1 3·1 2·4 29·9 50·4 3·2 0·8 1·8 8·3	0·1 3·0 2·4 30·6 49·8 3·2 0·8 8·3
Total	100.0	100.0	100.0	100.0	100.0	100-0	100.0	100 ⋅ ●	100.0