

24.—Average Yearly Earnings and Real Wages of Wage-earners in Manufacturing Industries, 1917-1926.

| Years. | Amount of wages paid. | Average number of wage-earners. | Average yearly earnings. | Index Numbers. | | |
|-----------|-----------------------|---------------------------------|--------------------------|--------------------------|-----------------|--|
| | | | | Average yearly earnings. | Cost of living. | Real value of average yearly earnings. |
| | \$ | No. | \$ | | | |
| 1917..... | 420,094,869 | 552,968 | 760 | 100-0 | 100-0 | 100-0 |
| 1918..... | 480,949,599 | 547,599 | 878 | 115-5 | 113-7 | 101-6 |
| 1919..... | 496,570,995 | 520,327 | 938 | 123-4 | 122-2 | 101-0 |
| 1920..... | 583,853,225 | 526,571 | 1,109 | 145-9 | 142-8 | 102-2 |
| 1921..... | 381,910,146 | 381,203 | 1,002 | 131-8 | 125-1 | 105-4 |
| 1922..... | 374,212,141 | 398,390 | 939 | 123-6 | 115-7 | 106-8 |
| 1923..... | 428,731,347 | 446,994 | 959 | 126-1 | 116-7 | 108-1 |
| 1924..... | 420,269,406 | 432,273 | 972 | 127-9 | 114-7 | 111-5 |
| 1925..... | 452,958,655 | 466,602 | 971 | 127-8 | 116-0 | 110-2 |
| 1926..... | 501,144,989 | 499,745 | 1,003 | 132-0 | 116-8 | 113-0 |

Percentage of Wages and Salaries to Value of Product.—An interesting inquiry is that regarding the relation between wages and salaries paid by manufacturers and the total net value of production. Figures of gross production are often erroneously used in such calculations, but the values out of which the wages of employees must in the long run come are the values added to the raw materials while they are in the factory. Such added values constitute the real production of the manufacturing plant, and are alone available for payment of wages and salaries, of interest, rent and taxes and of charges for fuel, power, lighting, repairs and all other overhead charges. While amounts paid on some of these accounts are not readily ascertainable, amounts paid in wages and salaries are available from the statistics of the Census of Manufactures. These figures are given for 1917 and subsequent years in Table 25, and show the increasing part of the manufacturer's dollar which has gone to his salaried and wage-earning employees in the years since 1917. In the six latest years, salaries seem to bear a particularly large percentage to the total net production of Canadian manufacturing industries, while the percentage of wages to total product was not very much larger in 1926 than in 1917.

25.—Percentages of Wages and Salaries paid to Total Net Value of Manufacturing Production, 1917-1926.

| Years. | Value added by process of manufacture. | Salaries paid. | Wages paid. | Percentage | | |
|-----------|--|----------------|-------------|------------------------------|---------------------------|--|
| | | | | of salaries to values added. | of wages to values added. | of total salaries and wages to values added. |
| | \$ | \$ | \$ | p.c. | p.c. | p.c. |
| 1917..... | 1,332,180,767 | 89,287,158 | 420,094,869 | 6-7 | 31-5 | 38-2 |
| 1918..... | 1,460,723,777 | 101,507,889 | 480,949,599 | 6-9 | 32-9 | 39-8 |
| 1919..... | 1,509,870,745 | 121,892,144 | 496,570,995 | 8-1 | 32-9 | 41-0 |
| 1920..... | 1,686,978,408 | 148,267,360 | 583,853,225 | 8-8 | 34-0 | 43-4 |
| 1921..... | 1,209,143,344 | 136,874,992 | 381,910,145 | 11-3 | 31-6 | 42-9 |
| 1922..... | 1,198,434,407 | 136,219,171 | 374,212,141 | 11-4 | 31-2 | 42-6 |
| 1923..... | 1,311,025,375 | 142,738,681 | 428,731,347 | 10-9 | 32-7 | 43-6 |
| 1924..... | 1,256,643,901 | 139,614,639 | 420,269,406 | 11-1 | 33-4 | 44-5 |
| 1925..... | 1,360,879,907 | 143,056,516 | 452,958,655 | 10-5 | 33-3 | 43-8 |
| 1926..... | 1,492,645,039 | 152,705,944 | 501,144,989 | 10-2 | 33-6 | 43-8 |

Subsection 4.—Size of Manufacturing Establishments.

An essential characteristic of the recent evolution of industry has been the increase in the size of the typical manufacturing establishment. The full utilization of highly specialized machinery necessitates large-scale production, while the improvements in transportation have widened the market, and the development