

income. The national income of the people of Canada in 1927 was thus in the neighbourhood of \$5,600,000,000. (See also entry "National Income" in the index.)

Difficulties in Differentiating between the Branches of Production.—There is an increasing demand for a survey of production that will differentiate as between the more important branches and at the same time give a purview of the whole which will be free from overlapping. This is somewhat difficult to present with clearness, in view of the varying definitions that attach to industrial groups from different points of view. For example, brick, tile and cement are frequently included in "mineral production" as being the first finished products of commercial value resulting from the productive process; frequently, however, they are regarded as "manufactures" in view of the nature of the productive process—either allocation being correct according to the point of view.

The accompanying tables show the total values of all commodities produced in Canada in the latest years; the values are given as in the producers' hands.

"Gross" and "Net" Production.—The values of products are shown under two headings, namely, "gross" and "net". "Gross" production shows the total value of all the individual commodities produced under a particular heading. "Net" production represents an attempt to eliminate the value of materials consumed in the productive process. For purposes of ordinary economic discussion, the net figures should be used in preference to the gross, because of the large amount of duplication which the latter includes on account of the necessity of making the individual items self-contained.

Interpretation of Items.—The primary industries of agriculture, fishing, forestry, mining, etc., are separated in this statement from the secondary or manufacturing processes. The close association between the two and the overlappings that are apt to occur have already been pointed out. As further explaining the procedure that has been followed in drawing up the tables, the following notes are appended:—

Agriculture.—Dairy factories are included under this heading; farm dairy products (gross) include the milk consumed whole and sold to dairy factories, and butter, etc., made on the farm.

Forestry.—Forestry production is understood to consist of the operations in the woods as well as those of sawmills and pulp-mills, the latter being limited to the making of first products such as lumber, lath, shingles, pulp and cooper-age stock.

Fur Production.—The item of fur production is limited to wild life production. To obtain a total of the peltries produced in Canada, it would be necessary to add to the wild life output the production of pelts on fur farms.

Mineral Production.—Under mineral production all items are included that might be allocated to "manufactures". Considerable overlapping exists as between "mineral production" on the one hand and "manufactures" on the other. The Bureau presents the detailed statistics of these groups (the chief of which are smelters, brick, cement, lime, etc.) in its reports on mineral production, since their product is the first to which a commercial value is ordinarily assigned.

Total Manufactures.—The figure given for the heading is a comprehensive one, including the several items listed with the extractive industries