320 to 323 for the index of volume), the quotients give tentative conclusions regarding the efficiency of production per wage-earner and per employee in years subsequent to 1917, as compared with that year. Since central electric stations were excluded in computing the index of the volume of production, employees in these establishments have been excluded also in computing the percentages relative to 1917 for both wage-earners and total employees, and consequently from the indexes of efficiency of production. These indexes of the efficiency of production are, of course, affected by the change explained above in the method of computing the number of employees in 1925 and subsequent years as compared with 1924 and previous years. Inasmuch as the change increased the apparent number of employees in 1925 and later years, it proportionately decreased the index of the efficiency of production. The table illustrates the development of modern industry which has accomplished a large increase in production with a comparatively small increase in wage-earners by better organization and the use of improved equipment. Capital invested in manufacturing industries, exclusive of central electric stations, has increased by 72·1 p.c. from 1917 to 1929, compared with an increase of only 7·5 p.c. in wage-earners, while the horse power used per wage-earner has increased from 3·04 in 1917 to 6·58 in 1929. The element of better organization is not susceptible of measurement. However, salaried employees have increased by 40·5 p.c. since 1917, or more nearly in proportion to the growth in production than wage-earners. The result of these developments has been the increase of 46·6 p.c. in the volume of production per wage-earner and the somewhat smaller increase of 42·4 p.c. per employee, owing to the increased proportion of salaried employees in the total. The indexes may be considered as supplying satisfactory evidence of a general gain in volume of production per person employed. In this connection it should be remembered, however, that in 1917, owing to the large numbers overseas, many persons of low efficiency were being employed, their inefficiency being concealed at the time by the prevailing inflation of prices; it is possible that the sudden rise in the indexes of efficiency from 1920 to 1921 may be partly accounted for by their elimination in the contraction of industrial operations which occurred at that time.

18.—Salaried Employees and Wage-Earners in the Manufacturing Industries of Canada, with Volume of Manufacturing Production and Comparative Efficiency of Production, 1917-29.

Year.	Salaried Employees.	Wage-Earners.	Total Employees.	Percentage relative to 1917.[1]		Index Number[1] of Volume of Mf'd. Products.	Efficiency of Production.[1]	
				Of Wage-Earners.	Of Total Employees.		Per Wage-Earner.	Per Employee.
	No.	No.	No.	p.c.	p.c.			
1917.....	68,726	552,968	621,694	100·0	100·0	100·0	100·0	100·0
1918.....	70,706	547,599	618,305	99·0	98·8	102·0	103·0	103·2
1919.....	81,681	529,327	611,008	95·7	98·1	98·1	102·5	100·0
1920.....	83,015	526,571	609,586	95·1	97·7	95·0	99·9	97·2
1921.....	74,873	381,203	456,076	68·5	72·6	86·1	125·6	118·6
1922.....	76,040	398,390	474,430	71·6	75·6	96·0	134·1	127·0
1923.....	78,273	446,994	525,267	80·5	83·9	104·8	130·2	124·9
1924.....	76,230	432,273	508,503	77·6	80·8	102·9	132·7	127·3
1925.....	77,623	466,602	544,225	83·8	86·6	112·7	134·5	130·1
1926.....	81,794	499,745	581,539	89·9	92·7	128·1	142·5	138·2
1927.....	85,483	533,450	618,933	95·8	98·6	136·5	142·5	138·5
1928.....	91,243	566,780	658,023	101·7	104·7	148·8	146·3	142·0
1929.....	96,607	597,827	694,434	107·5	110·6	157·5	146·6	142·4

[1]Central electric stations excluded.