

27.—Percentages of Salaries and Wages Paid to Total Net Value of Manufacturing Production, 1917-29.

Year.	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.....	1,322,180,767	89,287,158	420,094,869	6.7	31.5	38.2
1918.....	1,460,723,777	101,567,889	490,949,599	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	34.6	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	33.7	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	152,708,944	501,144,589	10.2	33.6	43.8
1927.....	1,635,923,936	162,348,978	531,585,250	9.9	32.5	42.4
1928.....	1,819,046,025	174,770,879	580,428,493	9.7	31.9	41.6
1929.....	1,997,350,365	188,747,672	624,302,170	8.5	31.3	40.8
1930.....	1,761,986,726	184,239,117	551,853,649	10.5	31.3	41.8

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 of more efficient methods of business administration has made it possible for the individual manufacturer to supervise effectively a larger plant. An 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 and obviously the increased use of machinery, as in the flour-milling industry, may lead to increased production concurrently with a decrease 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.