

with a gross production for 1932 of \$136,897,332, while the second division is still larger with \$137,514,404 for gross production.

The hosiery and knitted goods industry is worthy of special mention. From the standpoint of the value of production the hosiery and knitted goods industry ranked first in the textile group in 1932. Despite the depressed condition of the textile industry generally, the volume and value of production in this branch of the industry held up remarkably well, the value of production being \$16,247,308 or 27.3 p.c. lower than the peak year of 1929. Employment also declined by 1,393 or 7.3 p.c. Due to the drastic declines in the value of raw materials with the consequent declines in the value of finished products, the employment figure is a better criterion of the recession experienced by this industry since 1929. The production of hosiery of all kinds in 1932 ranked first in importance with an output valued at \$18,683,811. Next in order came underwear, combination and separate garments with a value of \$11,122,328. Various other knitted and woven goods, yarns and numerous small sundries made up the balance. The industry is located chiefly in the province of Ontario, the 110 establishments located there producing \$28,602,549 or 66 p.c. of the entire output. The province of Quebec followed with an output of \$11,727,858 or 27 p.c. of the total.

Other important industries in this group, with the numbers of their employees and values of production, are as follows: women's factory clothing (products \$42,564,589, employees 14,276); cotton yarn and cloth (products \$38,555,370, employees 15,092); men's factory clothing (products \$27,289,591, employees 8,098); silk (products \$19,864,843, employees 7,036); men's furnishing goods (products \$17,607,656, employees 7,565); dyeing, cleaning and laundry work (products \$17,302,779, employees 11,170); woollen cloth (products \$13,127,796, employees 4,990); and hats and caps (products \$9,464,267, employees 3,095).

The outstanding feature of the textile situation in Canada was the spectacular expansion of the silk industry during the past few years, at a time when practically all other industries were experiencing a diminishing demand for their products. Compared with 1926, this industry increased its output by \$11,357,690 or 134 p.c. and also furnished employment to 4,613 more people in 1932; this represented an increase in employment of 190 p.c.

Reports were received from 2,002 establishments in the textile industries in 1932, an increase of 47 over the number reporting in 1931. They reported a gross value of production of \$274,411,736, a decline of \$42,746,934 or 13.5 p.c. from the previous year. This, however, was caused largely by the lower values of raw materials and finished products, for the index of the volume of production declined only by 4.6 p.c., having dropped from 103.2 in 1931 to 98.5 in 1932. (In this instance 1926 as 100 is the base year.) The amount of capital invested in 1932 totalled \$321,593,062, a decrease of \$30,751,011 or 8.7 p.c. There were 102,116 persons employed who were paid \$82,817,944 in salaries and wages and in comparison with 1931 these figures represent decreases of 3,357 or 3.2 p.c. in the number of persons employed and \$9,686,144 or 10.5 p.c. in the amount of salaries and wages paid. The cost of raw and other materials used dropped to \$129,468,738, a loss of \$23,722,637 or 15.5 p.c., while the value added by manufacture, *viz.*, \$144,942,998, declined by \$19,024,297 or 11.6 p.c.

Wood and Paper.—The forests of Canada have always been an important factor in the building up and maintaining of manufacturing industries. Since early