

CHAPTER VII.—SURVEY OF PRODUCTION.*

Despite gains in most of the main branches of production, the total net value was about 2 p.c. less in 1933 than in the preceding year. The total net value of commodities produced, as estimated by the Dominion Bureau of Statistics on the basis of data compiled by its various Branches, aggregated \$2,062,000,000 in 1933 against \$2,105,000,000 in the preceding year.

The further decline in manufacturing production was the main element in lowering the general total. Indeed, value added by the manufacturing process was less in 1933 than in any other year in the post-war period, declines having been pronounced from 1930 to 1932. The resumption of operations in the later part of 1933 was insufficient to raise the annual total above that of 1932, though the rate of decline in 1933 slackened greatly as compared with that recorded in immediately preceding years. Declines were also shown in construction, electric power and custom and repair. The other five branches of productive industry showed gains over 1932. The net production of agriculture and of forestry showed relatively moderate gains following five years of decline. The recovery in mineral production was one of the bright spots of the year and the values of fisheries and trapping reached higher levels. Thus all the branches of primary production except electric power showed increases, and the net value of primary production also showed a moderate gain.

The Definition of "Production".—The term "production" is used here in its popular acceptation, *i.e.*, as including such processes as the growing of crops, extraction of minerals, capture of fish, conversion of water power into electrical current, manufacturing, etc.—in economic phrase, the creation of "form utilities". It does not include various activities which are no less "productive" in a broad and strictly economic sense, such as (*a*) transportation, refrigeration, merchandising, etc., which add to commodities already worked up into form the further utilities of "place", "time" and "possession", and (*b*) personal and professional services, such as those of the teacher and the doctor, which are not concerned with commodities at all, but are nevertheless essential to any civilized society—representing in economic language, the creation of "service utilities".

As showing the importance of these latter activities, it may be pointed out, for comparison with the figures in the accompanying tables, that steam railway gross earnings in 1933, the latest year for which complete statistics of production are available, amounted to \$270,278,276, street railway gross earnings to \$39,383,965, and telephone and telegraph earnings to \$65,330,685, all of which, from a broad point of view, may be considered as "production". It may be further noted that, according to the Census of 1931, out of 3,927,591 persons of ten years of age and over recorded as gainfully occupied, 306,273 were engaged in transportation activities, 387,315 in trade, 92,317 in finance and 767,705 in service occupations. While 81,610 of the latter were engaged in custom and repair work, the value of which is included in the survey of production, the value of the "production" of the remaining 1,472,000 gainfully occupied persons in the four occupational groups just mentioned would not appear to be included to any extent in the survey of production. Then, on the assumption that 1,472,000 gainfully occupied persons whose production is not included in the survey were no less "productive" in the broad sense of the term than the remaining 2,455,591† gainfully occupied persons (of whom

*Revised by Sydney B. Smith, M.A., Dominion Bureau of Statistics.

†This figure includes 169,263 gainfully occupied persons whose industries were not specified but who were mainly general labourers and office clerks. The products of the labour of these persons were probably mainly included in the survey of production, but here it is assumed that they were all so included.