

they amounted to practically 60 p.c.), about two-thirds should be added to our total net production to arrive at an estimate of the grand total value of the "production" of all gainfully occupied Canadians. Since the net value of production of commodities as stated in the survey was \$2,062,000,000 in 1933, the grand total money value of the productive activities of the gainfully occupied population of Canada in the same year may be estimated at \$3,340,000,000 in round figures. (See the item "Income, National" in the Index of this volume).

**"Gross" and "Net" Production.**—The values of products are shown under two headings, namely, "gross" and "net". "Gross" production represents 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 production process. The "net" figures, it will be seen, appear chiefly in the case of secondary production or manufactures, though eliminations were also made in certain cases in the primary or extractive industries, as, for example, seed in the case of field crops, and feed in the case of farm animals. The deductions made herein are strictly those of materials which may be regarded as made over into the products recorded. For purposes of ordinary economic discussion, the net figures should be used in preference to the gross, in view of the large amount of duplication which the latter include.

**Difficulties in Differentiating between the Branches of Production.**—A survey of production must differentiate 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. In the summing up, production in such industries is regarded as primary production and also as secondary production, but the duplication is eliminated in the grand totals.

**Branches of Production.**—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 the 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 cooperage 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, which is included in the total for "agriculture".

*Mineral Production.*—Under mineral production many items are included that are also allocated to "manufactures". Considerable overlapping exists