

non-ferrous metals and iron and its products have shown the greatest improvement in gross value of products and quite naturally central electric stations have shown the least. In salaries and wages paid, iron and its products is also the leader, but in employees engaged the miscellaneous group takes first place. It is of interest to note that in the section of the above table, which compares 1934 data with those for 1929 as regards employees engaged, two industrial groups—chemicals and textiles—actually show increases, although that for textiles is very small. The miscellaneous group of industries and iron and its products have made least headway towards the 1929 level, although, as previously stated, the latter group had made a very marked advance from the low point of the depression.

Subsection 1.—Manufactures Grouped by Chief Component Materials.

A classification based on the chief component materials in the various products of each manufacturing establishment was applied for the first time in the compilation of the returns for 1920. The number of groups was reduced from fifteen to nine to correspond with the external trade classification and the classes of industry were somewhat altered to conform with recent industrial developments. Subsequently, the central electric stations industry was taken out of the miscellaneous class and now forms a class by itself.

Vegetable Products.—Though first in value of gross production in 1934, this group ranked only fourth in the number of people employed and in salaries and wages paid. With the exception of rubber, coffee and spices, sugar factories, and rice mills, the industries of this group are dependent mainly upon domestic farm products for their raw materials. They produced in 1934, 19.0 p.c. of the total manufacturing production and employed 14.2 p.c. of all persons engaged in manufacturing industries.

The flour-milling industry is the leading industry of the group from the point of view of gross value of products. This industry, which has existed to meet the domestic needs for more than 300 years, is one of the Dominion's oldest manufactures, but it is only within recent times that its progress has become spectacular. The War and the demand it created gave a great impetus to this trade. The 435 flour mills, many of them of the most modern type and highest efficiency, have a capacity far in excess of Canada's demands. During 1928, productive capacity reached about 121,000 barrels per day. Since then, the industry has been adversely affected by the difficulties which beset the Canadian grain trade and the great decline in the prices of grains. Exports of wheat flour declined from 10,737,266 barrels in 1928 to 5,053,732 barrels in 1934, but in spite of the decrease Canada continues to be one of the leading exporters of wheat flour.

With the increase in urban population, as well as the improvement in transportation, which increasingly enables rural communities to purchase factory-made bread, the bread industry made rapid strides during the past decade. During this period there was an increase of 37 p.c. in the capital invested and 56 p.c. in the number of employees. The production of bread and other bakery products required the labour of about 19,000 people in 1934. This industry had an output valued at \$57,295,522, a capital investment of \$44,196,221, while the employees numbered 18,562 and the salaries and wages paid amounted to \$15,794,117. This industry was thus the third largest employer of labour among the manufacturing industries of the country. In salaries and wages paid, however, it ranked only fifth.

The rubber industry is another industry of importance in the industrial life of the country. Canada now ranks among the leading countries of the world as a manufacturer of rubber goods. In 1930 she was the fifth largest importer of raw rubber in the world, ranking after the United States, the United Kingdom, France,