

The butter and cheese industry, which manufactures a product of farm animals, has been for many years of leading importance in Canada. Originating in the agricultural districts of the Maritime Provinces, the Eastern Townships of Quebec and the southern counties of Ontario, it is now developing rapidly in the Prairie Provinces and in the more recent northern settlements of Quebec and Ontario. For an industry so large in the aggregate, it is unique in having shown very little tendency toward consolidation in large units, the gross production of \$92,813,271 coming from no fewer than 2,632 plants, mostly small and scattered at convenient points throughout the farming communities.

The leather industries have long been established on a considerable scale, mainly, of course, because the large number of cattle raised and slaughtered provide a ready supply of hides. There are large tanneries in the eastern provinces and no fewer than 211 boot and shoe factories were in operation in 1934, chiefly in Quebec and Ontario, representing a total capital of about \$23,000,000 with an annual output of over \$32,000,000 and employing 14,868 men and women. The canning and preserving of fish also calls for reference. Concentrated naturally upon the Pacific and Atlantic coasts, 665 establishments were engaged in 1934 in canning, curing and packing of various kinds of fish that were valued at \$24,000,000.

Textile Products.—The output of textiles in 1934 was valued at \$342,054,536. The establishments classified in this group, which numbered 2,234, represent a capital investment of \$328,362,816, they furnished employment to 115,695 persons who were paid \$90,796,601 in salaries and wages and also spent \$174,532,597 for materials.

In net production, *i.e.*, in value added by manufacture, which is a truer criterion than gross production of the place of the group in the industrial life of the country, the textile group was third in 1934 among the ten major groups shown in the summary statistics of Table 3, p. 409, being exceeded only by the wood and vegetable products groups. Textiles accounted for over 13 p.c. of the net manufacturing production of Canada. As an indication of the contribution which the textile group made in 1934 to the employment in the Dominion, the group stood second in the number of employees and in salaries and wages paid, with over 21 p.c. of the total employees in manufacturing and 17 p.c. of the total salaries and wages paid. Again, this wide group of textiles may be regarded as two distinct divisions: (1) the spinning, weaving and knitting trades, and (2) the finishing trades. If so regarded, the first division assumes the proportions of a very large industrial group with a gross production of \$180,188,058, while the second division, which usually is the larger, had a production of only \$161,866,478 in 1934.

From the standpoint of gross value of production, cotton yarn and cloth in 1934 was again the leading industry in the textile group. The output was valued at \$61,306,490 while the persons employed numbered 18,106 and the salaries and wages paid totalled \$13,768,278. This industry made substantial gains in 1934. The value of production increased 20 p.c., the number of employees 12 p.c. and the volume of production 10 p.c.

The hosiery and knitted goods industry is also worthy of special mention. From the standpoint of employment, it was the second industry in 1934, employing 17,978 persons and paying \$13,565,616 in salaries and wages. Despite the depressed condition of the textile industry generally, the volume and value of production of this branch of the industry held up remarkably well, the value of production being only 25.6 p.c. lower than the peak year of 1929 while the volume was actually 1.8 p.c. higher. Employment, however, has declined by 1,070 or 5.4 p.c. since 1929.

The outstanding feature of the textile situation in Canada has been the great expansion of the silk industry during the past few years, at a time when practically