

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 as between mineral production on the one hand and manufactures on the other. The Dominion Bureau of Statistics presents the detailed statistics of these groups (the chief of which are smelters, brick, cement, lime, etc.) in its reports on mineral production, since their product is the first to which a commercial value is ordinarily assigned.

Construction.—Due to the availability of the totals compiled by a new branch of the Dominion Bureau of Statistics, the treatment of construction data was altered beginning with 1934. The records prepared by the MacLean Building Reports, Limited, were used from 1920 to 1933, 35 p.c. being deducted from the gross totals to obtain the net value of production for the industry. An element of incomparability with previous figures was thus introduced, but the use of official records in this connection is desirable.

Total Manufactures.—The figure given for this heading is a comprehensive one including the several items listed with the extractive industries above, though also frequently regarded as manufactures, *viz.*, dairy factories, fish canning and curing, sawmills, pulp and paper mills, certain mineral industries, and electric power. This duplication is eliminated from the grand totals as shown in the tables. The figures given for total manufactures are inclusive of the value of the products of all manufacturing processes closely associated with the extractive industries that are frequently included under this heading; hence it is obvious that the grand total is equivalent to an amount obtained by adding the values for total manufactures and for the other eight divisions, and deducting the amount of duplication between manufactures and the primary industries.

Section 1.—The Leading Branches of Production in 1935.

The net value of a nation's commodity production is usually an excellent criterion of the purchasing power of the people. Confining the analysis to the net production of commodities—net production signifying the value left in the producers' hands after the elimination of the value of materials consumed in the production process—it is observed that, after recording successive declines for five years, the net value of Canadian production turned upward in 1934 to register a substantial gain over the preceding year. This advance was continued in 1935 when the net value of commodities produced, estimated by the Dominion Bureau of Statistics on the basis of data compiled by its various branches, was \$2,395,000,000 compared with a revised estimate of \$2,234,000,000 in 1934. The gain of more than 7 p.c. represents a marked betterment over the preceding year in all productive operations. Each of the nine main branches of production participated in the advances of 1934 and 1935. The greatest absolute gains were recorded in manufacturing and agriculture, but the largest percentage increases were in mining and forestry. Primary production showed a better percentage gain than secondary, indicating a decided revival in the production of raw materials and a greater utilization of our natural resources. Certain changes in general method, occasioned by the Conference of British Commonwealth Statisticians of 1935, unfortunately