

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 217 boot and shoe factories were in operation in 1935, chiefly in Quebec and Ontario, representing a total capital of about \$24,000,000 with an annual output of over \$36,000,000 and employing 15,930 men and women. The canning and preserving of fish also calls for reference. Concentrated naturally upon the Pacific and Atlantic coasts, 630 establishments were engaged in 1935 in canning, curing and packing of various kinds of fish that were valued at \$23,000,000.

Textile Products.—The output of textiles in 1935 was valued at \$357,106,277. The establishments in this group, which numbered 2,275, represented a capital investment of \$329,197,254; they furnished employment to 120,699 persons who were paid \$96,574,954 in salaries and wages, and also spent \$183,920,438 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 fourth in 1935 among the ten major groups shown in the summary statistics of Table 3, p. 407, being exceeded only by the wood, vegetable, and iron and its products groups. Textiles accounted for about 13 p.c. of the net manufacturing production of Canada. As an indication of the contribution which the textile group made in 1935 to the employment in the Dominion, the group stood second in the number of employees and third in salaries and wages paid, with about 21 p.c. of the total employees in manufacturing and 16 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 \$185,486,029, while the second division, which usually is the larger, had a production of only \$171,620,248 in 1935.

From the standpoint of gross value of production, cotton yarn and cloth in 1935 was again the leading industry in the textile group. The output was valued at \$59,378,664 while the persons employed numbered 18,121 and the salaries and wages paid totalled \$13,206,265.

The hosiery and knitted goods industry is also worthy of special mention. From the standpoint of employment and salaries and wages paid, it was first in 1935, employing 18,511 persons and paying \$14,252,653 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 23.2 p.c. lower than the peak year of 1929 while the volume was actually 4.5 p.c. higher. Employment, however, declined by 537 or 2.8 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 all other industries were experiencing a diminishing demand for their products. While other industries have to struggle hard to regain the 1929 level of production, this industry has since then recorded an increase of 24 p.c. in capital investment, 131 p.c. in number of employees, 119 p.c. in salary and wage payments, 80 p.c. in cost of materials and 93 p.c. in gross value of production.

Wood and Paper.—The forests of Canada have always been an important factor in the building up and maintaining of manufacturing industries. Since early pioneering times the sawmill has formed one of the first steps from the pioneering