

Subsection 2.—Manufactures Classified by the Purpose of the Products.

Production of Manufactured Goods According to the Purpose Classification.—In addition to the classification according to the chief component material of the products used for the industrial census in detailed presentation, a separate and distinct classification, based on the chief purpose of the products, was applied for the first time to the census returns of 1922 and is presented in Table 10 for the years 1922, 1924, 1926, 1929, 1933 to 1935 in summary form, and for 1935 in more detail.

Significant changes have occurred since 1922 in the importance of the various groups shown in the purpose classification. Indicative of the increasing industrialization of the Dominion is the increase in the "industrial equipment" group from 17.0 p.c. of the total value of production in 1922 to 18.7 p.c. of the total in 1935, and the increase in "producers materials" from 26.8 p.c. to 30.1 p.c. during the same period. Another significant change is the decline in the "food" group which dropped from a production of 27.1 p.c. to 21.9 p.c. of the total. Whereas in 1922, food products comprised the leading group, in 1935 the production of producers materials ranked first in importance. It should also be noted, however, that the cost of materials in this group is abnormally high. The following other groups have improved their positions since 1922: vehicles and vessels advanced from an output of 6.5 p.c. to 7.7 p.c. of the total value of production; drink and tobacco from 4.0 p.c. to 4.3 p.c.; and books and stationery from 4.0 p.c. to 4.2 p.c. The following groups, in addition to food, declined in importance: the clothing group dropped from 9.5 p.c. to 8.9 p.c.; house furnishings from 2.5 p.c. to 1.9 p.c.; and personal utilities from 2.3 p.c. to 1.5 p.c.

In analysing the relative standing of the two groups which are perhaps of the greatest interest, it is noted that the gross production of the "food" industries in 1935 was 21.9 p.c. of the output of Canadian manufactures, as compared with an output of only 8.9 p.c. for the "clothing" industries. Aside from the fact that a much larger proportion of its products is exported, the greater value of production in the "food" group was due, in part, to the higher cost of raw materials, the value added by manufacture being 14.4 p.c. of the total for all industries in the case of the "food" group and 8.7 p.c. for the "clothing" group. The "clothing" industries also gave employment to 11,963 more persons than the "food" industries, but paid out \$2,500,234 less in salaries and wages.

From the detailed analysis of the food group for 1935 given at the end of Table 10, it will be seen that over 35 p.c. of the 1935 gross production of the group was made up of breadstuffs, and this subdivision accounts for over 40 p.c. of total salaries and wages. Meats and milk products accounted for 22 p.c. and 18 p.c., respectively, of gross production. In all these three major subdivisions the average of wages and salaries was comparatively high, being in the neighbourhood of \$1,000 for the year.

In the clothing industry, on the other hand, only in the fur goods subdivision was the \$1,000 average approximated, but this division accounted for less than 6 p.c. of the gross production of the clothing group.