

his possessions. This method consists in totalling the amounts known from various sources to be invested in agriculture, manufacturing, dwellings, etc. It does not include the value of undeveloped natural resources but only natural wealth which has been appropriated. For instance, it includes the value of the machinery and other capital equipment used in coal mining but not the unmined coal; the boats used in fishing but not the fish in the sea; the power plants and equipment used in developing water power but not the waterfalls themselves. In the case of forest wealth partial exception is made by the inclusion of accessible raw materials. When making comparison between the different provinces it should be remembered that this method tends to understate the potential wealth of any section of the country which is rich in mines, fisheries, or water power for, while it is next to impossible to estimate what such resources are worth, in so far as they are known to exist and to be capable of profitable development under present conditions they undoubtedly have value.

Whatever method is used, difficulty arises when we try to reduce all the things which go to make up wealth (things which once created are not themselves subject to violent change) to a common denominator. Estimates of national wealth must always be expressed in terms of the national currency. Yet the purchasing power of the currency unit is always fluctuating and following 1929 increased at one point (February, 1933) by more than 50 p.c. in terms of wholesale prices. Even in 1930, the average index number of wholesale prices was down by nearly 10 p.c. from 1929, while in December of that year the average index number of wholesale prices was 19 p.c. lower than in the same month of 1929.

The effect of such drastic reductions in values is first felt by the commodities which are being currently produced and, through these, the dollar value of production is diminished; consequently the national income of a country where most people are producers is reduced. Ultimately, a persistent decline of this character affects the capital values of real estate, buildings, machinery, etc., and its influence is then felt in a reduction in the national wealth as stated in dollars.

The first official estimate of national wealth issued by the Dominion Bureau of Statistics was for 1921, being based on the census data of that year. The national wealth was then placed at \$22,195,000,000. Later estimates were \$25,673,000,000 for 1925 and \$27,668,000,000 for 1927. The estimates for 1921, 1925, and 1927 are not exactly comparable with those for 1929 and 1933 given below, but are sufficiently so for most purposes. The estimate for 1929 is \$31,276,000,000, and the 1933 estimate \$25,768,000,000. The former presents a picture at the peak of domestic prosperity, whereas that of 1933 reflects the writing down of values resulting from the depression. The 1933 estimate is the latest that has been published.

Wealth of Canada by Items, 1929 and 1933.—In the items showing the composition of the national wealth, as set out in Table 41, care has been taken to exclude duplication. In any consideration of the individual items it should be remembered that each item covers only the portion of wealth which is stated in the description attached thereto. For instance, the item "Fisheries" includes only capital invested in primary operations. Capital invested in fish-canning and -curing establishments is included with "Manufactures", though this also might be considered as part of the wealth connected with "Fisheries". Similarly, the items for "Manufactures" do not include lands and buildings in urban centres which are shown under the heading "Urban Real Property".*

* A fuller explanation of the composition of the separate items is contained in the bulletin "Canada's National Wealth", obtainable from the Dominion Statistician.