

gross earnings in 1937, the latest year for which complete statistics of production are available, amounted to \$355,103,271, street railway gross earnings to \$42,991,444, and telephone and telegraph earnings to \$74,699,188, all of which, from a broad point of view, may be considered as production. Further, it may be noted that, according to the industrial classification of the 1931 Census, out of 3,927,230 persons of ten years of age or over who were recorded as gainfully occupied, 306,267 were engaged in transportation activities, 387,434 in trade, 92,340 in finance, and 767,562 in service occupations. While 81,700 of the latter were engaged in custom and repair work, the value of which is included in the survey of production, the value of the production of the remaining 1,471,903 gainfully occupied persons in the four occupational groups just mentioned would not appear to be included to any extent in the survey of production.

**'Gross' and 'Net' Production.**—The values of products are shown under two headings, namely, 'gross' and 'net'. Gross production represents the total value of all the individual commodities produced under a particular heading. Net production represents an attempt to eliminate the value of materials, fuel, purchased electricity, and process supplies consumed in the production process. The net figures, it will be seen, appear chiefly in the case of secondary production or manufactures, though eliminations are also made in certain cases in the primary or extractive industries, as, for example, seed in the case of field crops, and feed in the case of farm animals. On the other hand, such items as fertilizers in the case of field crops, and reforestation in the case of forestry, are disregarded as partaking of the nature of replacement. The cost of fuel and electricity is deducted in accordance with Resolution 23 of the Conference of British Commonwealth Statisticians, 1935, which states: "The term *net output* or *net value of production* should be used to denote the value added in each industry to the cost of the objects used in production, including all materials, whether transformed or not in the industrial processes, and fuel and purchased power consumed, whether used for heating, lighting, or other purposes, but excluding any amount paid to other firms for work given out to be done by them"

**Difficulties in Differentiating between the Branches of Production.**—A survey of production must differentiate between the more important branches and at the same time give a purview of the whole that will be free from overlapping. This is somewhat difficult in view of the varying definitions that attach to industrial groups. For example, brick, tile, and cement are frequently included under "mineral production" as being the first finished products of commercial value resulting from the productive process; they may, however, be classified under "manufactures" in view of the nature of the productive process—either allocation being quite correct according to the point of view. In the summing up, production in such industries is regarded both as primary production and as secondary production, but the duplication is eliminated in the grand totals.

**Basis of Computation for Each Branch of Production.**—The primary industries of agriculture, fishing, forestry, mining, etc., are separated in this statement from the secondary or manufacturing processes. The close association between the two and the overlappings that are apt to occur have already been pointed out. As further explaining the procedure that has been followed in drawing up the tables, the following notes are appended:—

**Agriculture.**—The annual estimates prepared by the Agricultural Branch of the Bureau of Statistics have been accepted as a basis of gross and net. Provincial