

The index of volume is based on the quantities of manufactured products reported and covers 71.1 p.c. of the total value of the production in 1926. It is weighted according to the values added by manufacture in 1926. A complete description of the manner in which the index is constructed will be found in the publication referred to in the footnote to p. 404.

The physical volume of manufacturing production increased 50.2 p.c. from 1923 to 1929. When it is recalled that the population of Canada is estimated to have increased only 11.3 p.c. during the same period, the growth of manufacturing production is indeed remarkable. Of this advance, the part resulting from an increase in the domestic demand due to growth of population would be about 11.3 p.c. Exports of partly and fully manufactured goods increased from \$591,830,000 in the fiscal year ended Mar. 31, 1924, to \$686,876,000 in the fiscal year 1930, the increase in exports representing about 3.6 p.c. of the 1923 production. The remainder of the increase in production by 1929, or a margin equal to roughly 35 p.c. of the volume of manufactures of 1923, was, therefore, apparently absorbed by increases in capital equipment and by the rise in the standard of living of the population of Canada.

A similar analysis of the volume of manufactures since 1929 in relation to population and exports would show that the decline in the depression was due chiefly to reduced exports and a cessation in production of capital equipment.

As may be seen from Table 6, all groups in the component material classification reported declines in the volume of production during the depression. In comparing the low point of the depression, viz., 1933, with 1929, it is found that the iron and steel group suffered the greatest contraction in production with a decrease of 61.1 p.c. Since 1933 there has been material improvement in all groups, the index of production for all industries rising from 82.0 in 1933 to 132.0 in 1937. For the latest year three groups, viz., iron and its products, non-metallic minerals, and miscellaneous industries were below the level of 1929, but in each case the volume of production was very much upward compared with 1936.

6.—Indexes of the Volume of Manufacturing Production, According to Component Material and Purpose Classifications, Representative Years, 1923-37.

(1926=100.)

Classification and Group.	1923.	1929.	1932.	1933.	1935.	1936.	1937.
Component Material Classification—							
Vegetable products.....	78.3	121.6	92.5	90.9	108.6	118.2	128.7
Animal products.....	81.4	95.4	83.2	86.4	99.1	107.1	111.4
Textiles and textile products.....	84.9	113.6	98.5	107.1	124.8	131.9	139.9
Wood and paper products.....	83.4	127.5	87.2	89.3	115.0	126.3	140.6
Iron and its products.....	82.2	129.7	53.4	50.5	84.5	94.3	119.2
Non-ferrous metals.....	72.9	138.7	100.4	98.3	138.5	156.1	187.9
Non-metallic minerals.....	88.9	145.0	84.4	77.8	99.1	112.7	129.5
Chemicals and allied products.....	84.0	120.4	93.7	99.2	123.8	132.8	152.3
Miscellaneous industries.....	80.1	110.0	66.1	58.9	76.6	81.7	95.0
Totals, All Industries.....	81.8	122.9	81.9	82.0	106.5	116.6	132.0
Purpose Classification—							
Food.....	84.7	102.8	92.7	91.9	104.1	113.6	116.7
Clothing.....	82.9	114.8	93.2	97.9	110.5	117.3	124.6
Drink and tobacco.....	76.0	140.5	101.7	96.2	125.2	137.9	163.3
Personal utilities.....	85.4	101.9	70.6	71.0	87.9	94.7	107.0
House furnishings.....	78.9	137.7	89.9	87.3	109.2	121.3	140.5
Books and stationery.....	93.1	131.5	127.6	122.0	154.9	159.7	168.8
Producers materials.....	84.9	124.7	75.0	77.9	105.6	118.7	137.1
Industrial equipment.....	76.3	129.6	75.6	70.2	100.5	112.5	134.4
Vehicles and vessels.....	71.4	131.6	52.4	53.3	83.5	87.0	109.0
Miscellaneous.....	85.0	125.1	99.4	113.3	148.6	164.8	207.2