

because paper is the principal material used by them. The first two especially make an important contribution to manufacturing production in Canada, as indicated by their place in the forty leading industries (Table 12). Other large industries included in the wood and paper group are: paper boxes and bags, furniture, and planing mills, sash and door factories.

Iron and Its Products.—The gross value of production by industries of this group was second among the nine main groups in 1937. In periods of active prosperity the relative standing of the group tends to rise; it stood first in 1920 and 1929, while in 1933 it was fifth (Table 3). The value of production increased nearly three times from 1933 to 1937, while the volume (Table 6) increased by 136 p.c. The demand for durable goods depends in large measure upon the rate of capital improvement, which is almost at a standstill in times of depression and rises to a high level in times of prosperity.

Primary Iron and Steel.—There are at present four companies operating blast furnaces in Canada for the production of pig-iron. One of these is located in Nova Scotia and uses local coal and iron ore from the great Wabana deposit in Newfoundland which it controls. The other three are located in Ontario on the Great Lakes waterways where they have the advantage of cheap water transportation for iron ore imported from the Messabi Range of Minnesota and coal from Pennsylvania. These firms also operate open-hearth steel furnaces and rolling mills to make steel ingots, blooms and billets, merchant and alloy steel bars, rails, structural shapes, plates, sheets, rail fastenings, etc. There is also a large production in Canada of ferro-alloys (ferro-silicon, ferro-manganese, etc.) which are produced in electric furnaces. These alloys usually constitute the most important item of Canadian exports of primary iron. Output of these products since 1920 is shown in Table 16 of the Mines and Minerals chapter, p. 337.

Automobiles.—This is the most important industry of the iron group and is indeed one of the largest industries in Canada (Table 12). Table 4 of Part III of the Transportation chapter shows the number of vehicles manufactured, imported, and exported in each year, while in the Internal Trade chapter the retail sales of motor vehicles are shown.

Automobile Supplies.—As an adjunct to the manufacture and wide use of motor vehicles, a large industry has developed for the independent production of parts and supplies required for the making, repair, and upkeep of such vehicles.

Railway Rolling-Stock.—With railway transportation so important a factor in the economic life of Canada, the manufacture and repair of railway vehicles is a large and widespread industry. In addition to rolling-stock for the standard steam and electric railways, the industry produces locomotives and cars for industrial, mining, and engineering purposes. The industry stands high among the industries of Canada in the number of employees engaged and in salaries and wages paid.

Other important industries classified under the iron group are: machinery, sheet metal products, castings and forgings, wire and wire goods, hardware and tools, agricultural implements, etc. The manufacture of agricultural implements has been at a low level for some years owing to the depressed condition of agriculture, especially in the grain-growing West.