

Section 3.—Principal Factors in Manufacturing Production.

Subsection 1.—Capital Employed.

The remarkable increase in capital employed in Canadian manufactures from the beginning of the twentieth century denotes rapid growth in industrial operations. From 1900 to 1905 the capital increased from \$446,900,000 to \$833,900,000, and advanced to \$1,958,700,000 in 1915. During this period returns were received from establishments with 5 hands or over, and, while the rise in wholesale prices did not exceed 37 p.c., the capital employed in manufactures increased nearly 340 p.c.

The capital investment in 1937 in all establishments, irrespective of the number of employees, but exclusive of central electric stations, was \$3,465,000,000 as compared with \$2,334,000,000 in 1917, an increase of 48 p.c. in 20 years, while wholesale prices have declined about 34 p.c. in the same period.

The wood and paper products led in 1937. Next in importance were the iron and its products and the vegetable products groups, respectively. It is interesting to note that in the case of the wood, iron, non-metallic mineral, and chemical groups the capital exceeded the gross value of products, while in the remaining groups the reverse was the case. These remaining groups, however, had relatively high material costs. By a comparison with Table 19, the non-metallic mineral group had the largest capital per wage-earner and also paid the highest average wage, but this relationship does not hold good in the case of all groups.

The statistics of capital employed in the manufacturing industries are of interest in deducing the proportions of fixed and liquid assets. In 1924, land, buildings, machinery and tools constituted 59 p.c. of the total capital; in 1929 the proportion was still 59 p.c.; in 1933 it was 66 p.c.; but in 1937 it had declined again to 61 p.c. The fixed assets amounted to \$2,127,000,000 in 1937, while current assets, including inventories of raw materials and finished products, bills and accounts receivable, cash, and sundries, were valued at \$1,338,000,000. Details by provinces and industrial groups are given in Table 14.

13.—Percentage Distribution of Capital Employed in the Manufacturing Industries of Canada, by Provinces and Industrial Groups, Representative Years 1917-37.

Province or Group.	1917.	1920.	1926.	1929.	1933.	1936.	1937.
	p.c.	p.c.	p.c.	p.c.	p.c.	p.c.	p.c.
PROVINCE.							
Prince Edward Island.....	0.1	0.1	0.1	0.1	0.1	0.1	0.1
Nova Scotia.....	5.3	4.6	3.3	3.0	2.8	2.7	2.7
New Brunswick.....	2.6	3.5	2.6	2.3	2.7	2.5	2.6
Quebec.....	28.4	30.1	30.2	31.1	31.6	31.5	32.3
Ontario.....	49.6	50.1	50.4	49.6	48.4	48.5	48.3
Manitoba.....	3.6	3.2	2.7	3.0	3.1	3.6	3.5
Saskatchewan.....	1.0	0.8	0.8	1.1	1.2	1.3	1.1
Alberta.....	2.1	1.6	1.8	2.0	2.1	2.1	2.0
British Columbia and Yukon.....	7.3	6.0	8.1	7.8	8.0	7.7	7.4
Totals.....	100.0	100.0	100.0	100.0	100.0	100.0	100.0
INDUSTRIAL GROUP.							
Vegetable products.....	12.0	13.7	14.3	14.5	15.9	16.0	15.6
Animal products.....	8.9	7.6	7.0	6.1	6.2	6.8	6.6
Textiles and textile products.....	5.2	10.4	9.4	9.0	9.1	9.7	9.3
Wood and paper products.....	23.0	26.5	28.9	28.8	27.2	26.8	26.8
Iron and its products.....	29.8	24.8	20.4	20.6	18.8	18.4	18.8
Non-ferrous metal products.....	3.0	3.7	6.3	7.5	8.1	8.1	8.8
Non-metallic mineral products.....	6.2	7.4	7.8	7.9	9.0	8.6	8.3
Chemicals and allied products.....	7.5	4.2	4.2	4.1	4.7	4.5	4.7
Miscellaneous industries.....	1.4	1.7	1.7	1.5	1.0	1.1	1.1