

Subsection 2.—Employment in Manufactures.

The numbers of salaried employees and wage-earners, ascertained by the methods outlined below, are given, for each of the years 1931 to 1937, in Table 15. The total number of persons engaged in those manufacturing industries of Canada for which statistics were obtained in 1937 was 660,451, as compared with 468,658 in the same industries in 1933. The 1937 employees included 115,827 salaried employees, this figure being obtained from the manufacturers at the end of the year, and 544,624 wage-earners, the average number employed as derived from the manufacturers' records of the numbers on the payrolls on the 15th of each of the twelve months. Using the year 1917 as a base, and taking the percentages of the wage-earners and the total employees in each year, by dividing these percentages into the corresponding volumes of manufacturing production (see p. 405 for the index of volume), tentative conclusions are arrived at regarding the efficiency of production per wage-earner and per employee. These indexes of the efficiency of production are, of course, affected by the changes in the method of computing the number of employees adopted in 1925, and then again in 1931. Inasmuch as the change increased the apparent number of employees between 1925 and 1930, it proportionately decreased the index of the efficiency of production. The table illustrates the development of modern industry which has accomplished, by better organization and the use of improved equipment, a large increase in production with a comparatively small increase in wage-earners. Capital invested in manufacturing industries has increased by 48 p.c. from 1917 to 1937, compared with an increase of 0.6 p.c. in wage-earners, while the horse-power used per wage-earner has increased from 3.06 in 1917 to 8.65 in 1937. The factor of better organization is not susceptible to measurement. However, salaried employees have increased 78 p.c. since 1917, or more nearly in proportion to the growth in production than wage-earners. The result of these developments has been the increase of 68.1 p.c. in the efficiency of production per wage-earner and a smaller increase of 55.0 p.c. per employee, owing to the increased proportion of salaried employees in the total. The indexes may be considered as supplying satisfactory evidence of a general gain in volume of production per person employed. In this connection it should be remembered, however, that in 1917, owing to the large numbers overseas, many persons of low efficiency were being employed, their inefficiency being concealed at the time by the prevailing inflation of prices; it is possible that the sudden rise in the indexes of efficiency in 1921 and 1922 may be partly accounted for by the elimination of less competent workers in the contraction of industrial operations that occurred at that time. During the recent depression years the reduced volume of production lowered the indexes of efficiency.