

CHAPTER VII.—SURVEY OF PRODUCTION*

CONSPECTUS

	PAGE		PAGE
SECTION 1. LEADING BRANCHES OF PRODUCTION, 1940 and 1941.....	187	SECTION 3. LEADING BRANCHES OF PRODUCTION IN EACH PROVINCE, 1941 Compared with 1940.....	189
SECTION 2. PROVINCIAL DISTRIBUTION OF PRODUCTION, 1940 and 1941.....	189		

NOTE.—Since the publication of the 1942 edition of the Year Book, a change has been made in the gross and net production of the primary industry, agriculture, for 1939. This has reduced the gross figures as shown for that year in the 1942 Year Book by \$19,676,000 and the net production by the same amount. These changes should be carried down into the totals for primary production and the grand totals of Table 1, p. 174, and should be noted in relation to their effect on the detailed tables that follow for that year. An adjustment has also been made for 1939 in the duplication contained in the figures for the secondary industry, manufactures. The net effect of these changes raises the gross and net grand totals by \$116,136,795 and \$17,174,726, respectively. Since there was no 1943 Year Book and the statistics now presented cover a two-year period, pressure on space precludes reprinting the 1939 figures. The reader requiring more detail regarding the changes is referred to the annual report "Survey of Production in Canada, 1940" where the revised figures for 1939 are given. The revised statistics for 1939 with industrial and provincial distribution were presented in Appendix II, p. 1,003, of the 1942 Year Book.

Mainly due to the requirements of war, Canada's production on the whole reached higher levels in 1941 than ever before. The net output of the nine main branches of production was greater by 18 p.c. in 1940 and by 45.6 p.c. in 1941 than in 1939. The expansion of the manufacturing industries was the most important factor in the two-year period, since the general trend of production was, of course, directed to munitions of war. Agriculture, the leader among primary industries, showed the lowest percentage increase in 1941 compared with 1940, while fishing and trapping each recorded a 35 p.c. advance in net value. The large gain in trapping was mainly accounted for by advances in prices of most kinds of furs, notwithstanding a decline of about one-quarter in the numbers of pelts sold.

The figure of net production compiled by the Dominion Bureau of Statistics represents an estimate of the amount contributed to the national economy by the leading industrial groups occupied with commodity production. "Net" production represents the total value less the cost of materials, fuel, purchased electricity and process supplies consumed in the production process. For purposes of ordinary economic discussion, the net figure should be used in preference to the gross, in view of the large amount of duplication that the latter includes.

An explanation of the general method used in computing the statistics shown in this chapter is given in corresponding sections of previous Year Books and also in the appendix to the "Survey of Production", a bulletin issued annually by the Dominion Bureau of Statistics.

Section 1.—Leading Branches of Production, 1940 and 1941

Primary Production.—The primary group of industries recorded a gain of 10.8 p.c. in the net value of output for 1941 over 1940.

While agriculture showed the lowest percentage increase among primary industries, it added the greatest absolute value to net production. The chief branches of agriculture accounting for the increase were live stock and dairying. The mining

* Revised by Sydney B. Smith, M.A., Chief, Business Statistics Branch, Dominion Bureau of Statistics. This Branch, in addition to the Survey of Production in Canada, publishes: National Income of Canada 1919-1938, Part I, Economic Status; Monthly Review of Business Statistics; Economic Conditions; Bank Debits and Equation of Exchange; and Commercial Failures.