

CHAPTER VII.—SURVEY OF PRODUCTION*

CONSPECTUS

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Canadian production showed a notable expansion in 1942 as compared with the preceding year. The total net output of the nine main productive industries, after deduction of the cost of materials, rose from \$4,720,000,000 to \$6,258,000,000. The consequent gain was \$1,500,000,000 or 33 p.c. Production in 1942 was greater than in any previous year, the standing in 1929, the culmination of the previous major prosperity period, having been \$3,658,000,000.

The evidence points to further advance in commodity production during the two subsequent years. Statistics indicate that the upward trend of Canadian production was extended and progress made toward new records under the continuance of war demands. The magnitude of the expansion is indicated by the percentage increase of 11 p.c. in the net value of manufacturing production in 1943 over the high level of the preceding year. An advance was shown in the indexes of the physical volume of business and in wholesale prices during 1943 over 1942. A considerable increment in farm cash income was shown in 1943 over the preceding year and this position was decidedly more favourable in 1944.

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.

A description 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.

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