

**29.—Average Yearly Earnings, and Index Numbers of Earnings, Cost of Living and Real Wages of Wage-Earners, in Manufacturing Industries, 1931-42**

NOTE.—Figures on the 1917 base, with qualifications as to comparability, for 1917 to 1930 are published at p. 421 of the 1939 Canada Year Book.

Year	Wages Paid	Average Wage-Earners	Average Yearly Earnings	Index Numbers (1935-39=100)		
				Average Yearly Earnings	Cost of Living	Real Value of Average yearly Earnings
	\$	No.	\$			
1931.....	415,277,895	437,149	950	101.9	109.1	93.4
1932.....	322,245,926	381,783	844	90.6	99.0	91.5
1933.....	296,929,878	382,022	777	83.4	94.4	88.3
1934.....	355,090,929	427,717	830	89.1	95.7	93.1
1935.....	399,012,697	458,734	870	93.3	96.2	97.0
1936.....	438,873,377	489,942	896	96.1	98.1	98.0
1937.....	525,743,562	544,624	965	103.5	101.2	102.3
1938.....	498,282,208	521,427	956	102.6	102.2	100.4
1939.....	519,971,819	533,342	975	104.6	101.5	103.1
1940.....	679,273,104	626,484	1,084	116.3	105.6	110.1
1941.....	978,525,782	802,234	1,220	130.9	111.7	117.2
1942.....	1,347,934,049	974,904	1,383	148.4	117.0	126.8

**Percentages of Salaries and Wages to Net Value of Products.**—Table 30 shows the relation between salaries and wages paid by manufacturers and the total net value of production. Figures of gross production are often used in such calculations, but the values out of which the wages of employees must come in the long run are the values added to the raw materials while they are in the factory. Such added values constitute the real production of the manufacturing plant and are alone available for payment of salaries and wages, interest, rent and taxes, repairs, and all other overhead charges that ordinarily must be met. The percentage declined steadily with the increasing manufacturing production from 1924 to 1929, while from 1931 to 1935 and again in 1938 and 1939, due to decreased industrial activity, the percentage of salaries to value added was above normal. It should be borne in mind, however, that salaried employees increased 153 p.c. during the period 1924-42 while wage-earners increased but 133 p.c. The percentage of wages has fluctuated much less than that of salaries. The number of wage-earning employees may be more rapidly adjusted to the activity of the industry and wage levels likewise may be more readily adjusted to the price levels of the products.