

while wage-earners increased 110 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. Of the increase in the net value of production since 1939 amounting to \$1,935,953,079, 52 p.c. was passed along in increased salaries and wages.

28.—Percentages of Salaries and Wages Paid to the Net Values of Manufacturing Production, 1937-46

Year	Value Added by Processes of Manufacture ¹	Salaries Paid	Wages Paid	Percentages—		
				of Salaries to Value Added	of Wages to Value Added	of Total Salaries and Wages to Value Added
	\$	\$	\$	p.c.	p.c.	p.c.
1937.....	1,508,924,867	195,983,475	525,743,562	13.0	34.8	47.8
1938.....	1,428,286,778	207,386,381	498,282,208	14.5	34.9	49.4
1939.....	1,531,051,901	217,839,334	519,971,819	14.2	34.0	48.2
1940.....	1,942,471,238	241,599,761	679,273,104	12.0	35.0	47.0
1941.....	2,605,119,788	286,336,861	978,525,782	11.0	37.6	48.6
1942.....	3,309,973,758	334,870,793	1,347,934,049	10.1	40.7	50.8
1943.....	3,816,413,541	388,857,505	1,598,434,879	10.2	42.0	52.2
1944.....	4,015,776,010	418,065,594	1,611,555,776	10.4	40.2	50.6
1945.....	3,564,315,899	417,857,619	1,427,915,830	11.7	40.1	51.8
1946.....	3,467,004,980	410,875,776	1,329,811,478	11.8	38.4	50.2

¹ Equivalent to "net value of products"; see footnote 1, Table 1, p. 592.

Subsection 4.—Size of Manufacturing Establishments

The size of the manufacturing establishment is generally measured either by the value of product, or by the number of employees, but each of these methods has its limitations. The latter takes no account of the differences in capital equipment at different times or in various industries and obviously the increased use of machinery, as in the flour-milling industry, may lead to an increase in production concurrently with a decrease in number of employees. The former measure has to be adjusted for changes in the price level and, as between industries, it makes those in which the cost of raw materials is relatively high, appear to operate on a larger scale.

Size as Measured by Gross Value of Products.—While in 1922 the 420 establishments each producing over \$1,000,000 had an aggregate value of products of \$1,268,056,129 or 51 p.c. of the total production of all manufacturing industries, the 719 establishments producing over \$1,000,000 each in 1929 had an aggregate value of products of \$2,516,064,954, or 62 p.c. of the grand total for all manufacturing establishments—a very significant change in the short period of eight years. In 1931, however, the number of plants with a production of over \$1,000,000 dropped again to 482, their output being valued at \$1,451,658,954, or 53 p.c. of the total. Resulting from increased war production, the number of plants with a production of \$1,000,000 or over jumped to 1,376 in 1944 and their output was about 75 p.c. of the total value of manufactures. The number of establishments with a production of \$1,000,000 or over, although increasing to 1,442 in 1946, nevertheless saw a decline in the proportion of their output to 67 p.c. of the total.