

Two major changes were adopted in the compilation of manufacturing statistics starting with 1949. Figures for that year contained statistics for the Province of Newfoundland and a change was made in the system of classifying industries. Under the Standard Classification adopted, the industries are divided into 17 major groups instead of the nine groups under the component material classification.

For most purposes a classification of manufacturing industries based on chief component materials has, in the past, proved very useful. Such classification was wholly applicable when the industry of the country was concerned with the early stages in the processing of primary materials, i.e., when final products were mainly such items as pig iron, lumber and processed fish. As manufacturing industries developed, however, turning out more and more goods for consumption, the combination of ingredients in such output became more and more complex. The modern automotive, aircraft, shipbuilding and electrical-apparatus industries are examples in which a wide variety of materials must be assembled for the completion of the final product.

In establishing the Standard Industrial Classification, the concept of "purpose" has been combined with that of "chief component material" in the framework of the classification of manufacturing industries. For the classification of consumer-goods industries the concept of "purpose" seems most applicable both in terms of common usage in referring to industries and in providing the type of data most often required. Hence, such major groups as food and beverages, clothing, transportation equipment, and electrical apparatus and supplies have been established.

