

Subsection 2.—Size of Manufacturing Establishments

The size of a manufacturing establishment is generally measured either by the value of factory shipments or by the number of employees but each of these methods has its limitations. 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. 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 may lead to an increase in production concurrently with a decrease in number of employees.

Size as Measured by Selling Value of Factory Shipments.—In 1946, after heavy wartime production had ceased and reconversion had barely begun, there were 1,442 manufacturing establishments, each with an output of \$1,000,000 or over. Their combined production was valued at \$5,377,870,217 and accounted for 66.9 p.c. of the total for all manufacturing plants. By 1949, the number of factories in that category had increased to 1,926 and the proportion of their production to the total was 74.4 p.c. As a result of the tremendous industrial expansion and the increase in prices of the 1950's, the number of plants with shipments valued at over \$1,000,000 increased to 2,979 in 1956. These plants contributed 81 p.c. of the total output in that year.

18.—Manufacturing Establishments and Total and Average Production classified by Value of Product Group, 1946, 1949, 1955 and 1956

Gross Value Group ¹	Establishments	1946			1949		
		Total Production	Average per Establishment		Total Production	Average per Establishment	
	No.	\$	\$	No.	\$	\$	
Under \$25,000.....	14,478	138,504,608	9,566	16,176	145,907,855	9,020	
\$ 25,000 but under \$ 50,000.....	4,524	162,355,572	35,888	4,884	174,899,010	35,810	
50,000 " 100,000.....	3,958	282,976,378	71,495	4,487	320,878,071	71,513	
100,000 " 200,000.....	3,060	433,302,078	141,602	3,650	514,921,581	141,852	
200,000 " 500,000.....	2,620	824,481,340	314,687	3,195	1,000,486,294	313,141	
500,000 " 1,000,000.....	1,167	816,202,278	699,402	1,494	1,041,235,578	696,945	
1,000,000 " 5,000,000.....	1,183	2,376,006,853	2,008,459	1,505	3,164,936,378	2,102,948	
5,000,000 or over.....	259	3,001,863,364	11,590,206	421	6,116,328,703	14,528,097	
Totals and Averages.....	31,249	8,035,692,471	257,150	35,792	12,479,593,300	348,670	
	1955 ²			1956 ²			
	No.	\$	\$	No.	\$	\$	
Under \$25,000.....	15,327	143,480,957	9,362	14,016	133,408,345	9,518	
\$ 25,000 but under \$ 50,000.....	5,112	184,847,245	36,159	4,980	179,826,287	36,110	
50,000 " 100,000.....	4,781	343,512,650	50,933	4,905	352,055,444	71,775	
100,000 " 200,000.....	4,250	608,414,152	143,156	4,266	608,290,084	142,590	
200,000 " 500,000.....	3,970	1,261,916,569	317,863	4,149	1,313,515,996	316,586	
500,000 " 1,000,000.....	2,013	1,411,584,589	701,234	2,133	1,494,648,452	700,726	
1,000,000 " 5,000,000.....	2,101	4,364,363,277	2,077,279	2,284	4,793,887,428	2,098,900	
5,000,000 or over.....	628	11,195,814,372	17,827,730	695	12,761,116,950	18,361,319	
Totals and Averages.....	38,182	19,513,933,811	511,077	37,428	21,636,748,986	578,099	

¹ In 1952 gross value of products was replaced by selling value of factory shipments.

² Includes Newfoundland.

Size as Measured by Number of Employees.—In 1946 the 311 establishments employing 500 hands or over accounted for 32.3 p.c. of the total number of employees engaged in manufacturing. In 1956 there were 400 plants with more than 500 employees, 66 of them with over 1,500. The 400 plants employed 36.5 p.c. of the total workers in all manufacturing establishments.