

There are several reasons why the number of office employees has increased faster than the number of production workers. As already stated, productivity per production worker is much higher than it was fifteen years ago. Also fluctuation in numbers of workers in periods of changing demand is minimized by a growing tendency to put production workers on part time during periods of curtailed production and to attain through overtime work part of the extra volume required during periods of expanding production. The number of general office workers also remains fairly static in the face of fluctuation in output but this category includes professional and technical employees, the number of whom has been increasing rapidly with the expansion in manufacturing production. As an establishment increases in size, it performs more and more of the functions which, when it was smaller, were conducted by independent specialists outside the manufacturing field. For example, an establishment, as it becomes larger, may decide to do its own selling rather than sell through wholesalers. So, without increasing the number of production workers, the office staff is increased to include a sales manager, salesmen and additional clerks. Other administrative functions, such as research and advertising, are being done increasingly by internal staff, also adding to the number of office and administrative employees without corresponding addition to the number of production workers.

All provinces, with the exception of Prince Edward Island, Nova Scotia and New Brunswick, reported increased employment in manufacturing during the 1945-59 period. Alberta led in this respect with an increase of 83.9 p.c. followed by Ontario with an increase of 18.9 p.c. These were the only provinces that had a greater increase than the Canadian average of 15.6 p.c. British Columbia reported an advance of 15.0 p.c., Manitoba 12.5 p.c., Quebec 12.3 p.c., and Saskatchewan 7.9 p.c. Nova Scotia, New Brunswick and Prince Edward Island reported declines of 15.7 p.c., 7.0 p.c., and 4.4 p.c., respectively.

An outstanding feature was the tremendous advance made by Alberta in the production of chemicals, especially petrochemicals, fertilizers, and other new inorganic products such as caustic soda and chlorine. Sizable gains were also made by the food-processing industries and many factories were constructed for producing building materials, transportation equipment, paper products and textiles. This expansion resulted in a great increase in employment in manufacturing, which was more than five times the increase for Canada as a whole.

**Changes in Salaries and Wages.**—Inter-industry and year-to-year variations in average earnings result from a variety of causes: the length of the standard work week; the number of casual and part-time workers and the hours they worked in the reported week; amounts of overtime worked, and time lost through absenteeism, labour turnover, industrial disputes, lay-offs, etc.; differing occupational requirements; and varying proportions of men and women.

Differences in average earnings are related to the distributions of employees in industries or areas where pay levels vary from the average because of variations in basic pay rates, in sex and occupational distributions, in amounts of bonus or commission payments, in levels of activity, etc. The earnings of salaried men are substantially higher, on the average, than those of other categories, mainly because their numbers include relatively highly paid managerial and professional workers. Women's earnings are generally well below those of men in the same industries, chiefly because of pay and occupational differences, the greater incidence of part-time work and absenteeism among women, and their higher proportion of younger and less experienced workers.

Salaries and wages paid by Canadian manufacturing industries in 1959 totalled \$5,073,073,706, an increase of \$3,227,300,257 or 175 p.c. over 1945, and average annual earnings per employee rose from \$1,649 to \$3,891 or 136 p.c. during the period. Annual earnings of production workers advanced 131 p.c., while those of office employees rose 128 p.c., narrowing the gap between the annual earnings of these groups. In 1945 annual earnings of production workers were 70.2 p.c. of the earnings of office employees and by 1959 the percentage had advanced to 71.0.