

## CHAPTER XVI.—MANUFACTURES\*

### CONSPECTUS

	PAGE		PAGE
SECTION 1. MANUFACTURING AND THE CHANGING INDUSTRIAL STRUCTURE OF THE CANADIAN ECONOMY, 1946-65 .. .. .	665	Subsection 1. Major Historical and Current Statistics of Manufacturing.....	679
SECTION 2. EXPORTS OF MANUFACTURED GOODS.....	675	Subsection 2. Distribution of Manufacturing by Province and by Metropolitan Area.	687
SECTION 3. TRENDS IN PRINCIPAL STATISTICS, 1957-64.....	676	Subsection 3. Size of Manufacturing Establishments Based on Employment and Shipments.....	699
SECTION 4. STATISTICS OF MANUFACTURING..	679	SECTION 5. FEDERAL ASSISTANCE TO MANUFACTURING.....	701

*The interpretation of the symbols used in the tables throughout the Year Book will be found on p. viii of this volume.*

### Section 1.—Manufacturing and the Changing Industrial Structure of the Canadian Economy, 1946-65

Changes in the industrial structure of the Canadian economy, as reflected in long-term rates of growth of various industries, show a number of important or interesting developments involving or affecting manufacturing. At least seven major aspects merit comment:—

- (1) The manufacturing industries have increased their apparent share in the gross domestic product in "real" terms—that is, after the effects of price changes have been removed from increases in production.
- (2) The manufacturing industries have been accounting for a lower share of the gross domestic product in current dollars—that is, of production measured at the prices actually prevailing from year to year. This probably reflects a slower rate of rise in prices in manufacturing industries than in the economy as a whole; in turn, the slower price rise is at least partly a result of higher rates of growth in productivity in the manufacturing industries than in the economy as a whole.
- (3) The industrial sectors of the economy that depend relatively heavily on the use of fixed capital or use manufactured goods as materials for further manufacture have probably increased their output more rapidly, in aggregate, than the economy as a whole.
- (4) The introduction of new products and changes in technology have contributed heavily to the expansion of a broad range of individual manufacturing industries where growth has exceeded that of the manufacturing industries as a whole.
- (5) In line with experience in other countries, certain manufacturing industries making products the demand for which is favoured by rising living standards have grown more rapidly than those making products for which demand tends to rise less rapidly than consumer income.
- (6) Manufacturing industries engaged primarily in processing primary products for export have continued to play a key role in the over-all growth of the manufacturing industries. Or, in other words, the growth of the United States economy and its demand for fabricated materials has continued to exert an important influence on the expansion of manufacturing activity in Canada.
- (7) In very recent years, there has been a dramatic rise in exports of finished manufactures to the United States and other countries, although these exports still do not contribute greatly to the over-all volume of manufacturing industries.

\* Sections 1 to 4 were prepared in the Manufacturing and Primary Industries Division, Dominion Bureau of Statistics, and Section 5 in the Information Division, Department of Industry, Ottawa.