

Shipments for the 10th largest industry, smelting and refining, were \$2.2 billion in 1977. A major strike in a large smelting and refining company in 1976 coupled with production for inventory purposes in 1977 explains the huge increase in the industry's index of real domestic product over the two years (25%). Increased input costs escalated prices by 22%. The forecast for 1978 was unfavourable because of cutbacks and layoffs brought on by deflated markets.

17.1.2 Statistics on manufacturing

Manufacturing, as one of the most important sectors of the economy, in 1976 accounted for 21% of real domestic product, that is, the net output of goods and services produced in Canada in constant dollars. An annual census of manufactures carried out by Statistics Canada provides a data base used for publication and internal research purposes. The task of editing thousands of comprehensive questionnaires results in a time lag of more than a year before census results can be fully compiled and made public. A sample survey of the monthly shipments, inventories and orders provides estimates for some of the statistics and narrows the gap between the reporting period and publication date to 60 days. These are the data cited above for 1977.

Table 17.1 compares the value of shipments of goods of own manufacture, by province, for 1976 and 1977 (from the monthly survey) with data for 1975 and earlier censuses, and Table 17.2 makes similar comparisons for industry groups. Table 17.3 gives company data on profitability in various industry groups for the years 1974-76. Because these latter figures relate to companies and those derived from the census of manufactures relate to establishments (roughly speaking, plants), the two series are of limited comparability.

17.1.3 Destination of shipments

A survey covering the destination of manufacturing shipments was carried out in conjunction with the census of manufactures for 1974. This investigation produced a comprehensive picture of the flow of goods shipped between provinces and exported outside Canada. Such data have many uses ranging from market research to transportation studies.

Total manufacturing shipments reported for 1974 were \$82.5 billion. Products valued at \$40 billion were shipped to destinations within the province of manufacture. Goods shipped outside the province of origin accounted for \$37 billion, 56% or \$20.7 billion of this going to other provinces or territories and 44% or \$16.3 billion going to other countries. Non-distribution of shipments by respondents to the census questionnaire accounted for \$3.8 billion, while custom and repair work, unallocated by survey definition, measured \$1.7 billion.

The Atlantic provinces and British Columbia showed a relatively low dependence on interprovincial markets and relatively high shipments of exports compared to the central regions of Canada (Table 17.20). Across Canada, the region of origin was consistently the source of greatest supply to itself (Table 17.21). The second greatest supplier for all regions, except itself, was Ontario; this province alone accounted for more than half of all Canadian shipments.

Results of such a survey are influenced by the fact that respondents may often not be aware of the ultimate destination of goods which they ship to middlemen or others. This accounts for most of the shortfall of shipments to other countries compared with apparently corresponding data from the external trade division of Statistics Canada on exports from Canada.

17.2 Federal assistance to manufacturing

The industry, trade and commerce department is responsible for stimulating the establishment, growth and efficiency of the manufacturing, processing and tourist industries in Canada, and also for developing export trade and external trade policies. It assists Canadian industries to initiate and take advantage of technological advances, improve products and services, increase productivity and expand domestic and foreign markets through a variety of programs and services. At each phase of the product