

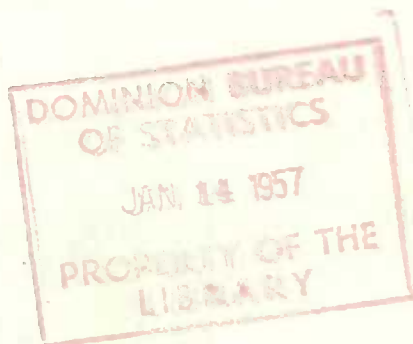
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CANADA

SURVEY OF PRODUCTION

1950 - 1954



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SURVEY OF PRODUCTION

1950 - 1954

Scope of the Series

The scope of the Survey of Production is limited to industries chiefly engaged in the actual production of commodities. The activities of such industries as transportation, communication, trade, finance and service are excluded except as certain of their costs are indirectly reflected in the value of output of the "commodity-producing" industries. This is in contrast to the scope of the widely-used, "Gross National Product"¹ series which encompasses all industries.

The term "production" in this report is used in its popularly accepted sense as applied to such processes as the growing of crops, the mining of metals and other minerals, the catching of fish, the conversion of water power into electrical energy, the construction of buildings, and manufacturing and processing. Primary production includes agriculture, forestry, fisheries, trapping, mining and electric power, while construction and manufacturing are classified as secondary production.

Gross value statistics are not shown in this report². In combining value of production figures for a number of industries, it is essential, in order to assess accurately the contribution of each industry to the total, that inter-industry duplication be eliminated. Thus, only the net value of production, or census "value added" will be considered in the tables, charts and analytical text of the report.

Relation to National Income Accounting

As mentioned above, net production, or "value added" is generally considered the most significant measure of production. Net production is computed by deducting from the total value of output (excluding indirect taxes) for each industry, the cost of materials, fuel, purchased electricity and process supplies consumed in the production process. This measurement is similar, although not strictly comparable, to the concept involved in the contribution of each industry to gross national product at factor cost (net income originating³ plus depreciation). There are problems of classification as well as conceptual differences.

One of the major problems of classification is that three factor shares of GNP at factor cost, viz., corporation profits, "other investment income" and depreciation are available only on a "company" basis while the other factor shares, viz., salaries, wages and supplementary labour income and net income of unincorporated business are available on an "establishment" basis. By contrast, all the value added data for the commodity-producing industries are on an establishment basis, i.e., each unit of a company is treated as a separate entity and classified to the industry in which it operates. A company may own several establishments which are classified to different industrial divisions. The nature of available data renders it extremely difficult, in compiling industrial distributions of National Income or GNP, to get an accurate breakdown of corporation profits, other investment income and depreciation on a plant-by-plant basis for those companies which cross industrial lines; for this reason, the adjustment cannot be made to Net National Income at factor cost or to Gross National Product at factor cost, although, conceptually, it should be made. For instance, the profits, other investment income and depreciation of several major mining companies which operate smelting and refining establishments in the manufacturing sector have to be assigned in total to the mining division, while the salaries and wages of these concerns are classified on an establishment basis, i.e., partly to mining and partly to manufacturing.

One of the major advantages of the net value of commodity production series is that the statistics can be broken down by provinces. With the exception of personal income and its major

components, the geographical distribution of gross national product is not available; this is chiefly due to the fact that profits cannot be allocated according to the provinces in which they are generated by productive activity. It must be kept in mind, however, that the value of commodity production estimates by provinces exclude the non-commodity industries and contain statistical and conceptual differences as compared with the national accounts estimates.

The conceptual differences arise from the fact that net value, as computed for each commodity-producing industry, includes the cost of such services as insurance, advertising, transportation, communications, etc. In national income accounting, the contribution of these services to GNP at factor cost is classified to the non-commodity industries from which they originate. For instance, while insurance costs are part of the "net value" of the manufacturing industry as herein presented, they are not included in the contribution of manufacturing to GNP at factor cost, but are part of the contribution of the insurance industry. Thus the measurement of output based on net value of production is mostly "net" within the field covered by this report but contains some duplication if it is used as an element of gross national product.

The cost value of the business services noted above is not, at present, available by industries, and thus it is not possible to arrive at a true figure, for each industry and province, of contribution to GNP. It is possible, for instance, that these costs would constitute a smaller share of "value added" (as herein compiled) for such industries as agriculture and mining than they would for manufacturing and construction. If this were the case, the contribution to GNP of the primary industries and those provinces whose economies are largely dominated by the primary industries would be proportionately greater than the data contained in this report indicate. Unfortunately, the data that would permit such an analysis are not now available. In future, if data on business services can be accumulated, the definition of "net" value of production used herein could be brought into conformity with National Accounts concepts.

Volume Estimates of Commodity Production

The direct volume measurement methods used in the construction of the Index of Industrial Production are now being extended to cover the other sectors of the economy in conjunction with the project of the deflation of Gross National Expenditure. These methods will yield more accurate results for commodity-producing industries than those published in earlier reports. It is planned to show these volume of production series as soon as they are ready for publication.

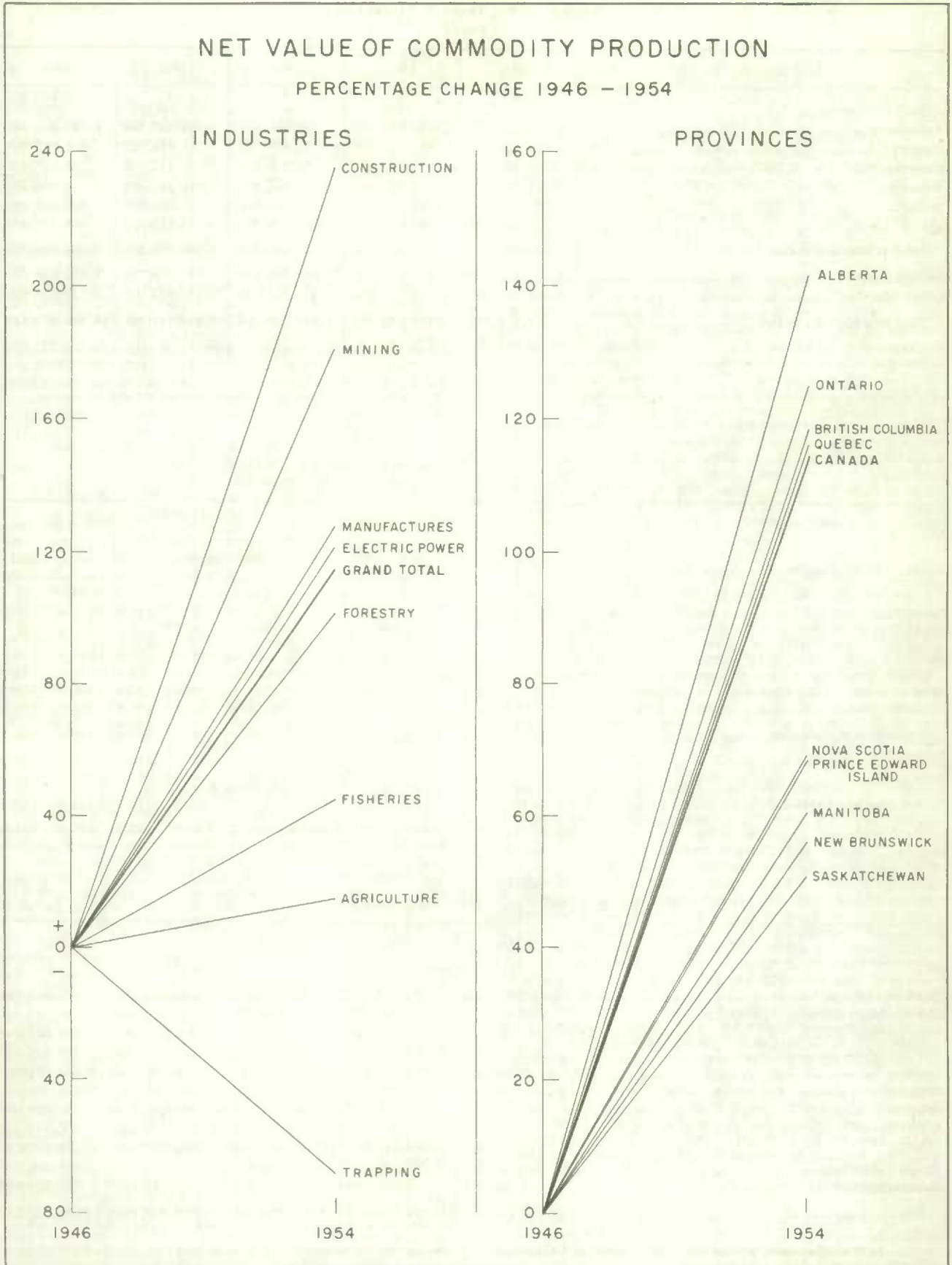
1. See "National Accounts, Income and Expenditure, 1926-1950", and "1950-1955", D.B.S.

2. As no data on materials and/or fuel are available for some industries, the figures for these industries are, in reality, gross values or gross values partly adjusted but the amounts of materials and fuel involved are believed to be relatively unimportant. See Description of Methods.

3. See Table 20, page 50, "National Accounts, Income and Expenditure, 1926-1950", and page 31 of "National Accounts, Income and Expenditure, 1950-1955". This table shows only net income originating by industry; depreciation charges are not available on an industry-by-industry basis.

Note: Throughout the report, the 1949-1954 national totals include Newfoundland's production for the following industries: forestry, mining, electric power, construction and manufacturing. Statistics on fishing for the tenth province are included from 1951 to 1954 and on trapping for 1952, 1953 and 1954. Data on agriculture are not yet available.

CHART-1



**TABLE 1. Net Value of Production
Canada**

Industry	1950	1951	1952	1953	1954
	\$	\$	\$	\$	\$
Agriculture.....	1,883,036,000	2,653,678,000	2,489,860,000	2,239,227,000	1,692,014,000
Forestry ¹	389,500,000	486,293,276	531,206,730	516,063,339	502,965,062
Fisheries.....	82,191,043	102,026,979	92,746,000	89,832,000	97,542,000
Trapping.....	15,204,419	19,791,933	14,137,820	13,221,035	9,839,383
Mining.....	657,328,669	770,143,233	777,443,771	790,596,855	903,609,249
Electric power.....	313,347,197	363,642,975	402,073,511	449,320,752	488,556,404
Total-Primary production.....	3,340,607,328	4,395,576,396	4,307,467,832	4,098,260,981	3,694,526,098
Manufactures.....	5,942,058,229 ²	6,940,946,783	7,443,533,199	7,993,069,351	7,902,124,137
Construction ³	1,475,000,000	1,738,274,000	1,976,703,000	2,454,032,000	2,528,557,000
Total-Secondary production.....	7,417,058,229	8,679,220,783	9,420,236,199	10,447,101,351	10,430,681,137
Grand total.....	10,757,665,557	13,074,797,179	13,727,704,031	14,545,362,332	14,125,207,235

1. Excludes value of forestry production originating on farm wood lots which is included with agriculture. The net values for forestry including farm wood lot production are as follows for the years 1950 to 1954 (million dollars): 491; 608; 661; 643; 629. These data are subject to revision.
2. Exclusive of fish processing in Newfoundland.
3. Revised data for period 1938-1949 shown in Table 7.

TABLE 2. Percentage Analysis of the Net Value of Production

Industry	Grand total net production equalling 100					Net value in 1949 equalling 100				
	1950	1951	1952	1953	1954	1950	1951	1952	1953	1954
Agriculture.....	17.5	20.3	18.1	15.4	12.0	93.3	131.4	123.3	110.9	83.8
Forestry.....	3.6	3.7	3.9	3.6	3.6	112.4	140.4	153.3	149.0	145.2
Fisheries.....	0.8	0.8	0.7	0.6	0.7	121.8	151.2	137.5	133.2	144.6
Trapping.....	0.2	0.1	0.1	0.1	0.1	99.4	129.4	92.4	86.4	64.3
Mining.....	6.1	5.9	5.7	5.4	6.4	115.3	135.1	136.3	138.6	158.5
Electric power.....	2.9	2.8	2.9	3.1	3.4	116.0	134.6	148.8	166.3	180.9
Total-Primary production.....	31.1	33.6	31.4	28.2	26.2	101.6	133.7	131.0	124.6	112.3
Manufactures.....	55.2	53.1	54.2	54.9	55.9	111.5	130.2	139.6	149.9	148.2
Construction.....	13.7	13.3	14.4	16.9	17.9	107.6	126.8	144.2	179.0	184.4
Total-Secondary production.....	68.9	66.4	68.6	71.8	73.8	110.7	129.5	140.6	155.9	155.6
Grand total.....	100.0	100.0	100.0	100.0	100.0	107.7	130.9	137.4	145.6	141.4

TABLE 3. Net Value of Production by Provinces

Province	1950	1951	1952	1953	1954
	\$	\$	\$	\$	\$
Newfoundland ¹	97,238,222	136,110,998	149,945,395	153,992,121	167,654,005
Prince Edward Island.....	30,819,330	36,505,157	41,885,235	34,001,503	37,642,359
Nova Scotia.....	259,731,738	296,791,447	315,788,221	329,823,004	339,642,545
New Brunswick.....	242,111,904	268,285,055	266,679,092	262,952,203	258,637,571
Quebec.....	2,816,309,229	3,337,598,876	3,608,147,917	3,806,616,323	3,868,814,062
Ontario.....	4,534,265,812	5,277,350,439	5,478,805,122	5,984,855,226	5,822,444,135
Manitoba.....	483,805,980	569,952,272	580,424,056	573,637,734	539,087,868
Saskatchewan.....	546,960,335	891,151,432	968,227,034	887,195,796	606,304,590
Alberta.....	734,148,363	1,002,712,967	1,059,384,234	1,170,778,383	1,117,208,665
British Columbia ²	995,233,672	1,240,224,661	1,239,008,923	1,320,533,611	1,330,260,712
Yukon and Northwest Territories ²	17,040,972	18,113,875	19,408,802	20,976,428	37,310,723
Total.....	10,757,665,557	13,074,797,179	13,727,704,031	14,545,362,332	14,125,207,235

1. Newfoundland data exclude agriculture, fisheries, trapping and fish processing in 1950 but include fisheries and fish processing from 1951 to 1954 and trapping in 1952, 1953 and 1954.
2. Forestry and construction figures for Yukon and the Northwest Territories are included with British Columbia.

CHART - 2

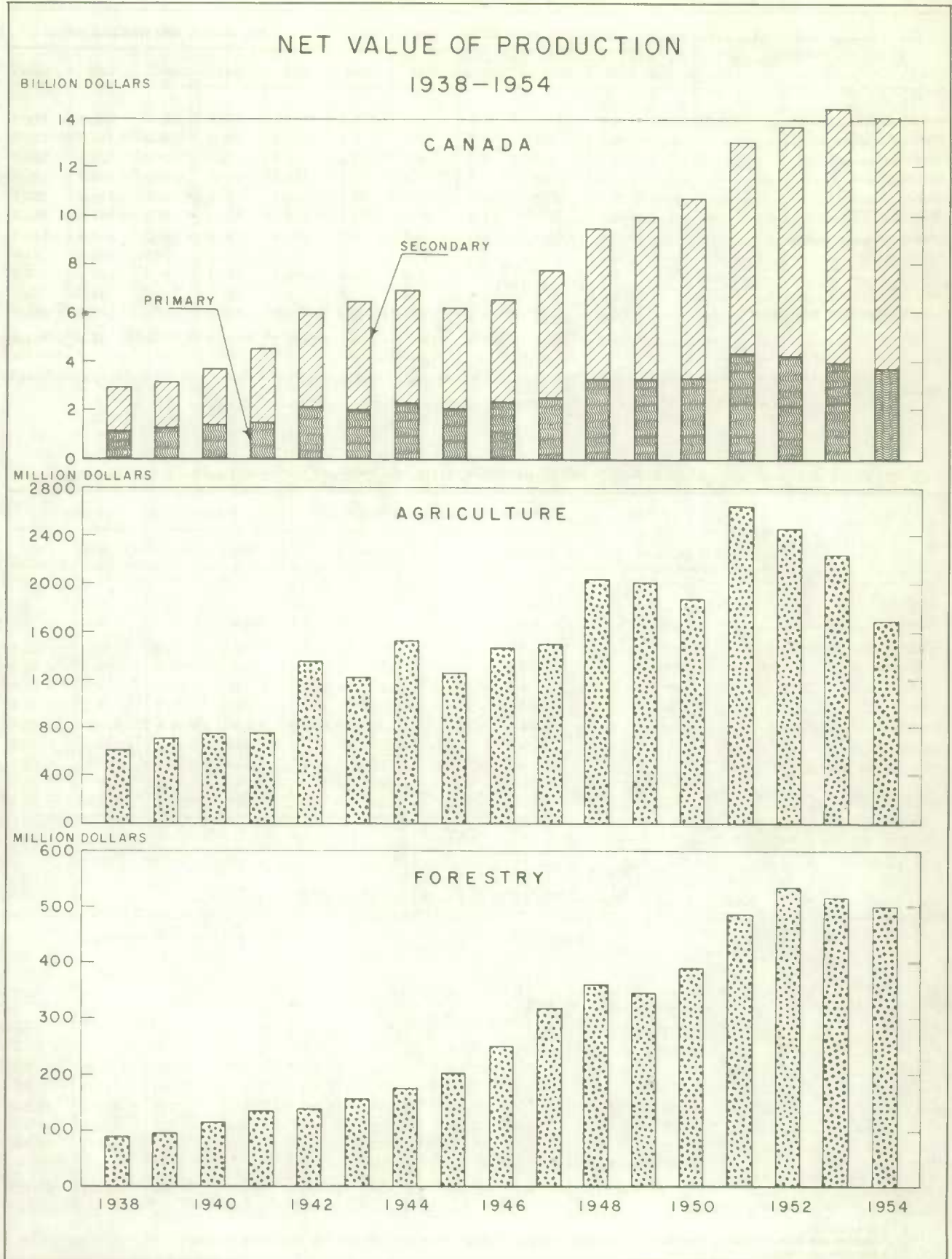


TABLE 4. Percentage of Total Net Production by Provinces

Province	Grand total net production equalling 100					Net value in 1949 equalling 100				
	1950	1951	1952	1953	1954	1950	1951	1952	1953	1954
Newfoundland ¹	0.9	1.0	1.1	1.1	1.2	122.0	170.8	188.2	193.3	210.4
Prince Edward Island	0.3	0.3	0.3	0.2	0.3	100.3	118.8	136.3	110.6	122.5
Nova Scotia	2.4	2.3	2.3	2.3	2.4	98.5	112.6	119.8	125.1	128.9
New Brunswick	2.2	2.0	2.0	1.8	1.8	112.6	124.8	124.1	122.3	120.3
Quebec	26.2	25.5	26.3	26.2	27.4	109.7	130.0	140.5	148.2	150.7
Ontario	42.1	40.4	39.9	41.2	41.2	111.1	129.3	134.2	146.6	142.6
Manitoba	4.5	4.4	4.2	3.9	3.8	100.4	118.3	120.5	119.0	111.9
Saskatchewan	5.1	6.8	7.1	6.1	4.3	85.3	139.0	151.0	136.4	94.8
Alberta	6.8	7.7	7.7	8.0	7.9	100.4	137.2	144.9	160.2	152.8
British Columbia ²	9.3	9.5	9.0	9.1	9.4	112.5	140.2	140.0	149.2	150.3
Yukon & Northwest Territories ²	0.2	0.1	0.1	0.1	0.3	134.8	143.3	153.6	166.0	295.2
Total	100.0	100.0	100.0	100.0	100.0	107.7	130.9	137.4	145.6	141.4

1. Newfoundland data exclude agriculture, fisheries, trapping and fish processing in 1950 but include fisheries and fish processing from 1951 to 1954 and trapping in 1952, 1953 and 1954.
 2. Forestry and construction figures for Yukon and the Northwest Territories are included with British Columbia.

TABLE 5. Per Capita Net Value of Production by Provinces Indicating Percentage Variations from National Average

	1950 ¹		1951 ¹		1952 ¹		1953 ¹		1954 ¹	
	Per capita net value	% Variations	Per capita net value	% Variations	Per capita net value	% Variations	Per capita net value	% Variations	Per capita net value	% Variations
	\$	%	\$	%	\$	%	\$	%	\$	%
Canada	798		948		966		1,000		943	
Prince Edward Island.....	321	- 59.8	372	- 60.8	407	- 57.9	321	- 67.9	358	- 62.0
Nova Scotia	407	- 49.0	462	- 51.3	484	- 49.9	497	- 50.3	505	- 46.4
New Brunswick	473	- 40.7	520	- 45.1	507	- 47.5	491	- 50.9	473	- 49.8
Quebec	710	- 11.0	823	+ 13.2	864	- 10.6	892	- 10.8	882	- 6.5
Ontario	1,014	+ 27.1	1,148	+ 21.1	1,150	+ 19.0	1,222	+ 22.3	1,154	+ 22.4
Manitoba	630	- 21.1	734	- 22.6	727	- 24.7	709	- 29.1	651	- 31.0
Saskatchewan	657	- 17.7	1,071	+ 13.0	1,149	+ 18.9	1,030	+ 3.0	691	- 26.7
Alberta	804	+ 0.8	1,068	+ 12.6	1,092	+ 13.0	1,168	+ 16.8	1,075	+ 14.0
British Columbia ²	872	+ 9.3	1,057	+ 11.5	1,029	+ 6.5	1,069	+ 6.9	1,058	+ 12.2

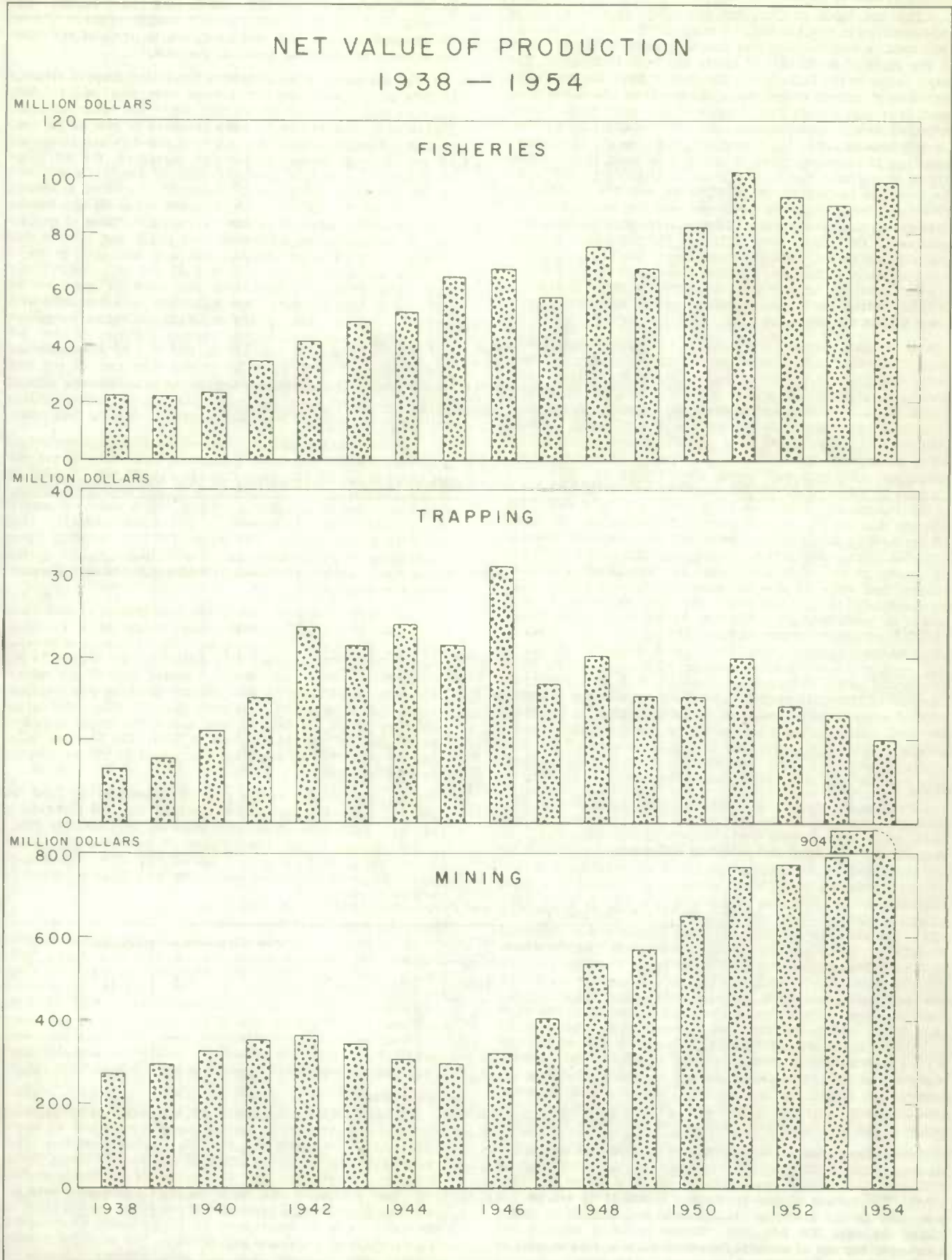
1. Excludes Newfoundland.
 2. Includes Yukon and Northwest Territories.

TABLE 6. Net Value of Production and Percentage Analysis by Provinces

Industry	Newfoundland					Yukon and Northwest Territories ²				
	1950	1951	1952	1953	1954	1950	1951	1952	1953	1954
	\$000					\$000				
Agriculture	1	1	1	1	1	-	-	-	-	-
Forestry	15,203	17,162	20,424	21,460	22,166	-	-	-	-	-
Fisheries	1	13,500	12,928	12,015	14,704	612	535	735	470	636
Trapping	1	1	141	62	131	1,109	2,400	1,621	1,124	939
Mining	20,124	25,295	20,515	20,917	29,879	13,974	13,530	15,053	16,955	32,516
Electric power.....	2,199	2,669	3,390	3,933	4,618	777	890	977	1,415	1,364
Manufactures	36,712	53,690	56,109	57,785	59,484	569	759	1,023	1,012	1,856
Construction	23,000	23,795	36,438	37,820	36,670	-	-	-	-	-
Grand total	1	136,111³	149,945³	153,992³	167,654³	17,041	18,114	19,409	20,978	37,311

1. Not available.
 2. Forestry and construction figures for Yukon and the Northwest Territories are included with British Columbia.
 3. Excludes agriculture.

CHART - 3



Recent Trends in Commodity Production

The net value of Canadian commodity production during 1954 declined to \$14,125,000,000 or about 3% below the revised 1953 total. It was the first time that the steady postwar growth in the value of production of goods had been interrupted. The major factor in the fall-off was the drop of \$547,000,000 in the net value of agricultural products, the result of adverse weather conditions and severe rust damage to the grain crop. Lower output of durable manufactures also contributed to the decline. On the demand side of the economy, consumers' expenditures continued to increase, rising by nearly 5 per cent, and, together with a 10 per cent rise in residential construction, constituted the important sustaining forces. However, with the exception of government expenditure on goods and services which increased slightly, all other major expenditure categories showed declines relative to 1953, more than offsetting the expansionary movements noted above. Notable among these downward pressures was the change in farm and business inventories from a position of substantial net accumulation to a position of net liquidation in 1954. Outlays for machinery and equipment were also sharply lower than in the preceding year.

Preliminary data for 1955 indicate a sharp increase of more than 12 per cent in the net value of commodity output as compared with 1954. A number of factors lay behind this development. Of primary importance was the rise in consumers' expenditures. In addition substantial advances occurred in residential construction and in exports, and business and farm inventories changed again to a position of net accumulation. Also, government expenditure and business outlays for plant, machinery and equipment were greater than in 1954. This strength in end-product demand was reflected in the expansion of most commodity industries. The advance data by industries indicate that the net value of agricultural output rose by nearly 16 per cent in 1955; forestry production also rose but value of fisheries output declined. Net value of mining output increased by nearly 20 per cent, and volume by over 15 per cent. Both volume and value of electric power production advanced by approximately 10 per cent over 1954. The net value of manufacturing production rose by over 11 per cent, most groups showing advances; in the durables sector, the wood products, iron and steel products, non-ferrous metal products, transportation equipment and electrical apparatus industries all recorded substantial gains. Net value of construction in 1955 showed an increase of almost 12 per cent over the previous year. A further general advance in the value of commodity output is indicated for 1956. During the first nine months of 1956, the index of the volume of industrial production averaged more than 7 per cent higher than during 1955, and the index of wholesale prices rose by 3 per cent in the same comparison.

Despite the decline in 1954, the total net value of commodity production rose by over 41 per cent between 1949 and 1954. Sustained demand for consumer goods both here and abroad, the industrial and resource development programmes, and the expansion of defence industries all contributed to this advance. Only two of the eight industrial groups failed to show increases in the five-year comparison. The net value of agricultural output in 1954 was \$1,692,014,000, the lowest since 1947. The sharp decline from 1953 was largely due to the small wheat crop of 309 million bushels, barely over half the output in the previous year. Operations in the woods recorded a steady advance from 1949 to 1952, and then fell off moderately during the next two years. The net value of forestry production in 1954 was over 45 per cent higher than during 1949, but more than 5 per cent below the peak value of 1952. The value of production in the primary fisheries industry in 1954 was nearly 45 per cent above the 1949 level, but slightly below the post-war peak of 1951. Quantity of seafood landed in 1954 was the highest on record, up to that time, but prices of fisheries products were somewhat lower than in 1951. Since 1951, value of output in the trapping industry has shown a tendency to decline.

Over the period under review, the net value of production of the mining industry rose steadily to a record high of \$903,600,000 in 1954, more than 58 per cent above the 1949 level. The volume of fuel production advanced by almost 129 per cent in the five-year comparison, with petroleum output rising by over 350 per cent. Greater building activity and increased exports of asbestos contributed to a volume gain of 50 per cent in production of non-metals. The volume of metal mining output showed a more moderate 16 per cent advance

over the five-year period. Production of iron ore, by 1954, had doubled in volume since 1949 and is still rising rapidly. The generation of electric power showed a volume increase of over 48 per cent between 1949 and 1954, and in terms of net value the industry advanced by nearly 81 per cent.

The net value of manufacturing production dropped slightly in 1954 as compared with the previous year, to \$7,902,100,000, but was still more than 48 per cent above the value for 1949. The value of durable manufactures advanced by over 53 per cent in this comparison, while the value of non-durables increased by 44 per cent. Among the durables industries, the net value of non-metallic mineral products rose by nearly 79 per cent in the five-year comparison. Value of electrical apparatus advanced by 72 per cent, while output value of non-ferrous metal products increased by over 68 per cent. Value of production of transportation equipment rose by 50 per cent in this comparison with wood products and iron and steel products showing gains of 44 per cent and 43 per cent respectively over 1949. Durable manufactures accounted for just over 45 per cent of manufacturing "net value" in 1954 compared with 43.6 per cent in 1949. In the non-durables sector, petroleum and coal products recorded the largest increase of over 200 per cent over the five year period, followed by chemicals and rubber products with gains of 65 per cent and 47 per cent respectively. By contrast the textiles industry showed a small decline compared with 1949 while clothing, (including knitting mill products,) rose by less than 9 per cent over the five years.

The construction industry showed the largest proportionate gain of the major commodity industries, with value of net output rising by 84 per cent from \$1,371,000,000 in 1949 to \$2,528,600,000 in 1954. Contributing factors were a substantial rise in the amount of building activity, and a sharp advance in construction costs. Investment in new construction for 1954 stood at \$2,825 million, 72% above the corresponding figure for 1949. Much of the increase occurred in the non-residential construction sector, as industrialization and resource development were expanded.

During the five-year period, the contribution of secondary production to total commodity output continued to increase, relatively to primary production. In 1954, secondary production (manufacturing and construction) accounted for almost 74 per cent of all commodity output, as compared with 67 per cent in 1949. The major factor in this relative advance was the large gain in the contribution of construction; in 1954 construction accounted for 18 per cent of total commodity output compared with a share of only 14 per cent in 1949. The share of manufacturing rose from 53.4 per cent to nearly 56 per cent in the five-year comparison.

The contribution of the primary industries to total net value of commodity production declined from 33 per cent in 1949 to a little over 26 per cent in 1954. This was the result of the decline in the contribution of agriculture from over 20 per cent in 1949 to only 12 per cent in 1954. The reduced share of agriculture in the latter year was largely caused by the poor wheat crop.

Provincial Analysis of Production

All provinces and territories except Saskatchewan recorded a higher net value of production in 1954 than during 1949. Alberta showed the highest proportionate gain among the older provinces with an advance of 53 per cent in the five-year comparison. Quebec and British Columbia both recorded increases of between 50 and 51 per cent. Value of net output in Ontario rose by almost 43 per cent. The other provinces showed more moderate advances, except for Saskatchewan, where value of production declined by 5 per cent over the period.

Newfoundland

In 1954 the net value of commodity production in Newfoundland, (exclusive of agriculture) amounted to nearly \$168,000,000, or about 1.2 per cent of the Canadian total. The leading activity in the province was manufacturing, which accounted, in 1954, for over 35 per cent of commodity production. Pulp and paper production and fish processing were the main manufacturing industries. Construction ranked next in importance with a contribution of 22 per cent to provincial output, followed by mining and forestry. The principal mineral products were iron ore, zinc and lead. Primary fisheries represented nearly 9 per cent of provincial production in 1954.

CHART - 4

NET VALUE OF PRODUCTION 1938-1954

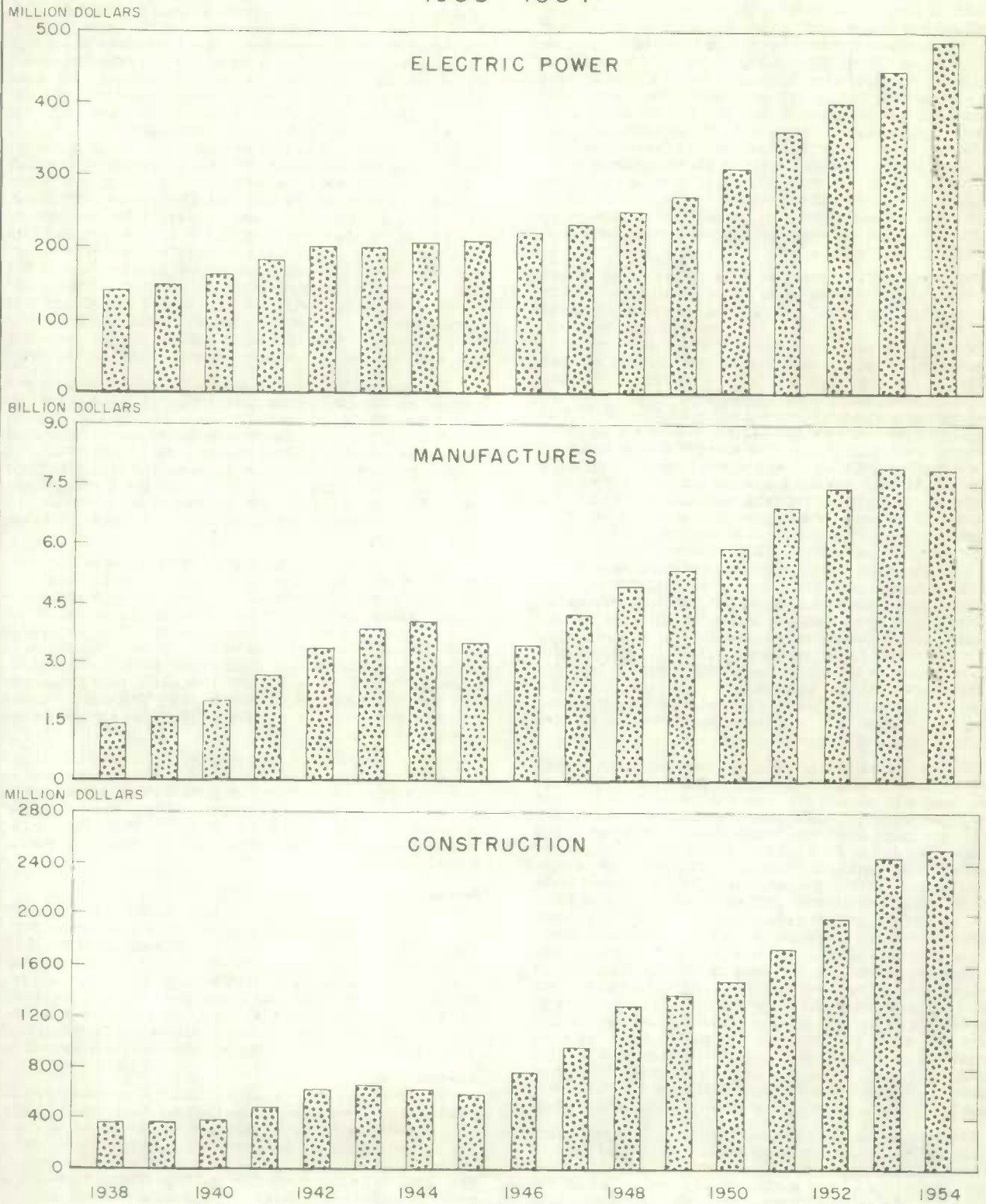
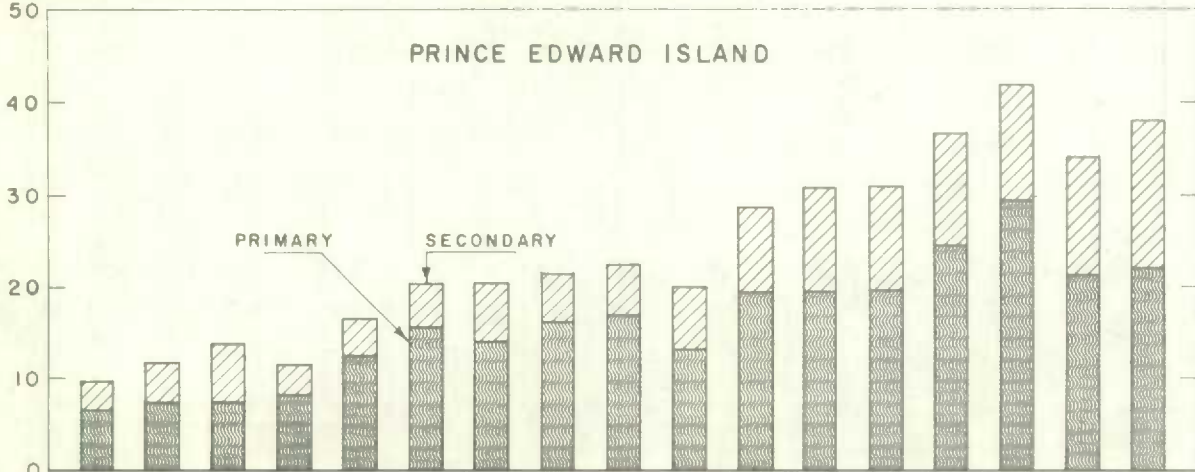


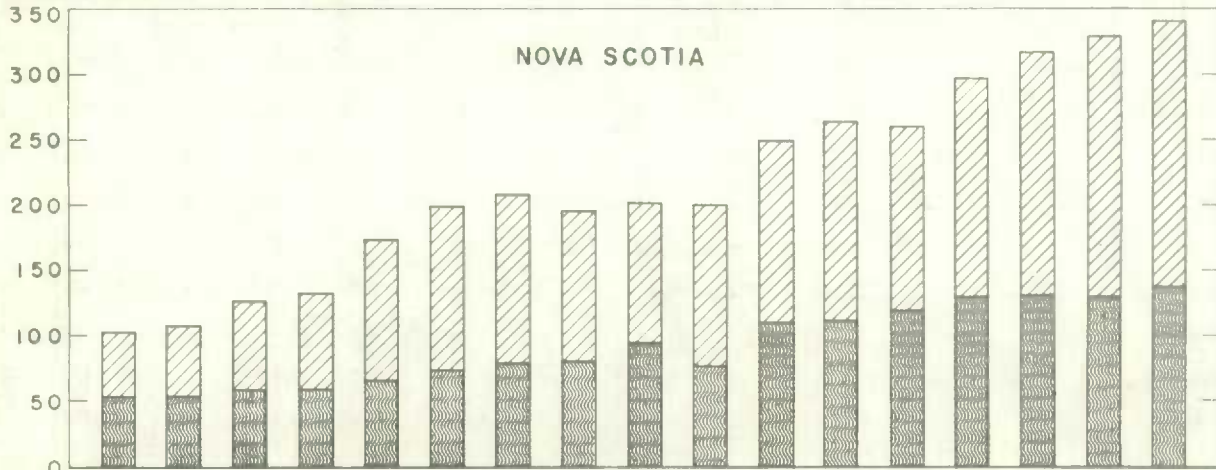
CHART - 5

NET VALUE OF PRODUCTION
BY PROVINCES
1938 - 1954

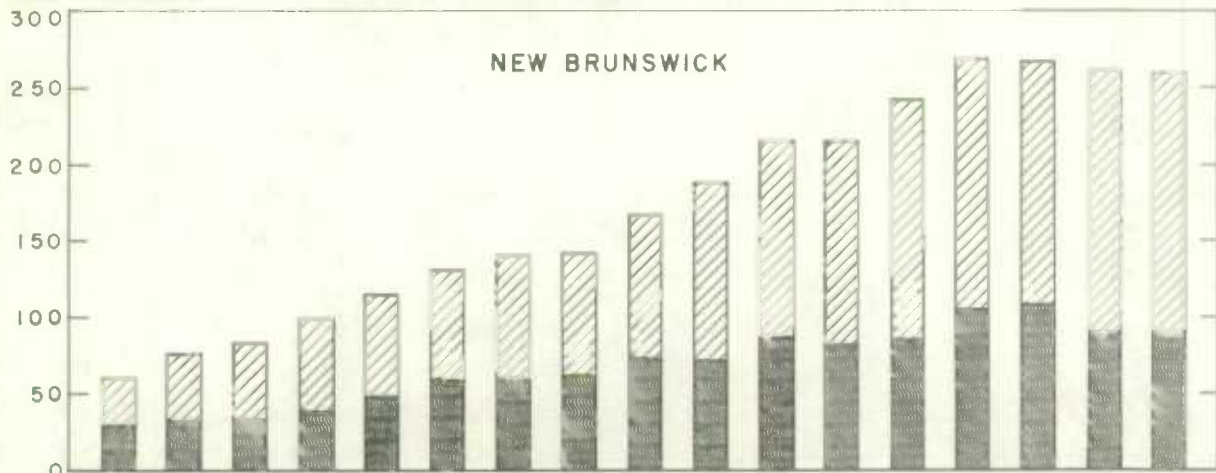
MILLION DOLLARS



MILLION DOLLARS



MILLION DOLLARS



1938 1940 1942 1944 1946 1948 1950 1952 1954

TABLE 6. Net Value of Production and Percentage Analysis by Provinces —Continued

Industry	Prince Edward Island									
	1950		1951		1952		1953		1954	
	\$'000	%	\$'000	%	\$'000	%	\$'000	%	\$'000	%
Agriculture	16,211	52.6	21,215	58.1	25,248	60.3	17,057	50.2	17,515	46.5
Forestry	—	—	3	—	568	1.4	173	0.5	159	0.4
Fisheries	2,556	8.3	2,240	6.1	2,660	6.3	2,870	8.4	2,948	7.9
Trapping	6	—	7	—	2	—	4	—	3	—
Mining	—	—	—	—	—	—	—	—	—	—
Electric power	762	2.5	865	2.4	1,055	2.5	1,194	3.5	1,283	3.4
Manufactures	4,284	13.9	5,047	13.8	5,957	14.2	5,879	17.3	6,045	16.1
Construction	7,000	22.7	7,128	19.6	6,395	15.3	6,824	20.1	9,689	25.7
Grand total	30,819	100.0	36,505	100.0	41,885	100.0	34,001	100.0	37,642	100.0
	Nova Scotia									
	1950		1951		1952		1953		1954	
	\$'000	%	\$'000	%	\$'000	%	\$'000	%	\$'000	%
Agriculture	31,904	12.3	37,386	12.6	32,049	10.1	31,809	9.6	33,742	9.9
Forestry	6,410	2.5	10,435	3.5	12,521	4.0	10,282	3.1	7,626	2.2
Fisheries	21,400	8.2	21,398	7.2	22,679	7.2	21,928	6.7	23,046	6.8
Trapping	140	—	285	0.1	420	0.1	227	0.1	184	0.1
Mining	48,549	18.7	46,957	15.8	49,599	15.7	51,234	15.5	56,777	16.7
Electric power	9,548	3.7	11,750	4.0	12,863	4.1	13,792	4.2	14,982	4.4
Manufactures	97,781	37.7	119,486	40.3	130,715	41.4	127,917	38.8	129,778	38.2
Construction	44,000	16.9	49,094	16.5	54,942	17.4	72,634	22.0	73,508	21.7
Grand total	259,732	100.0	296,791	100.0	315,788	100.0	329,823	100.0	339,643	100.0
	New Brunswick									
	1950		1951		1952		1953		1954	
	\$'000	%	\$'000	%	\$'000	%	\$'000	%	\$'000	%
Agriculture	38,145	15.8	45,269	16.9	46,395	17.4	36,644	14.0	40,940	15.8
Forestry	21,830	9.0	36,386	13.6	37,468	14.1	28,723	10.9	21,513	8.3
Fisheries	6,792	2.8	7,588	2.8	7,825	2.9	6,910	2.6	7,311	2.8
Trapping	258	0.1	37	—	131	—	84	—	175	0.1
Mining	10,862	4.5	7,378	2.7	7,630	2.9	7,305	2.8	7,890	3.1
Electric power	7,021	2.9	8,581	3.2	8,832	3.3	10,217	3.9	11,613	4.5
Manufactures	106,204	43.9	120,595	45.0	117,837	44.2	120,617	45.9	118,016	45.6
Construction	51,000	21.0	42,451	15.8	40,561	15.2	52,452	19.9	51,180	19.8
Grand total	242,112	100.0	268,285	100.0	266,679	100.0	262,952	100.0	258,638	100.0

Prince Edward Island

The economy of this province is largely agricultural; farm output, in 1954, constituted nearly 47 per cent of the total value of commodity production. The principal agricultural products were live stock, potatoes and dairy products. Construction contributed about 26 per cent of the total value and accounted for the bulk of non-farm output together with manufactures. Total net value of production rose by 22.5 per cent over the five-year period between 1949 and 1954, and in 1954 represented .3 per cent of Canadian commodity production.

Nova Scotia

The net value of production in Nova Scotia advanced by 29 per cent between 1949 and 1954, and accounted for 2.4 per cent of the national total during the latter year. In 1954 manufacturing contributed more than 38 per cent of the province's value of production. Primary iron and steel, fish processing, pulp and paper production and shipbuilding were Nova Scotia's principal manufacturing industries. Construction accounted for almost 22 per cent of the province's total output. Mining and agriculture remained Nova Scotia's principal primary industries contributing 17 per cent and 10 per cent respectively of the 1954 total. In the same year coal mining represented 71 per cent of the total value of mineral output. Livestock, dairy products, poultry and eggs were the principal farm products.

New Brunswick

The value of net commodity output in New Brunswick rose by nearly 25 per cent between 1949 and 1951, but declined slightly during the next three years, and stood at 20.3 per cent above the 1949 total in 1954. Over the period, New Brunswick's contribution to the Canadian aggregate fell off from 2.2 per cent to 1.8 per cent. As in Nova Scotia, manufacturing is the principal activity, accounting for nearly 46 per cent of all value of commodity output in 1954. Pulp and paper production was the main manufacturing industry, followed by sawmilling, shipbuilding and fish processing. Agriculture and forestry were the principal primary industries, accounting for 16 per cent and 8 per cent respectively of 1954 net output. The principal agricultural products were live stock, dairy products, potatoes and poultry. The net value of construction represented 20 per cent of provincial output in 1954.

Quebec

In 1954 Quebec's net value of production stood at \$3,869,000,000, accounting for over 27 per cent of Canadian value of output, and showing an increase of almost 51 per cent over the five-year period. Manufacturing was by far the most important activity, representing over 63 per cent of provincial production. Pulp and paper was the leading manufacturing industry, accounting for over 10 per cent of factory output; other major industries were non-ferrous metal smelting and refining, clothing, petroleum products, textiles and electrical apparatus. In 1954, agriculture's share of provincial output was 8.4 per cent, compared with 11 per cent in 1949. On the other hand, the contribution of the construction industry rose from 12 per cent of provincial output in 1949 to 15.5 per cent in 1954. Dairy products, live stock and poultry accounted for the greater part of agricultural output.

Ontario

The net value of commodity production in Ontario rose from \$4,082,000,000 in 1949 to \$5,985,000,000 in 1953, and fell off to \$5,822,000,000 in 1954, still nearly 43 per cent above the 1949 level. The province's contribution to the Canadian total was 41 per cent in 1954, little changed from its share in 1949. The economy of Ontario, like that of Quebec, is dominated largely by manufacturing, which has represented between 66 per cent and 70 per cent of total provincial output throughout the five-year period. Those manufacturing industries which contributed more than \$100,000,000 to the value of net output in 1954 were, in order of importance: pulp and paper, non-ferrous metal smelting and refining, motor vehicles, primary iron and steel, rubber products, electrical machinery, aircraft and motor vehicle parts. Agricultural output represented not quite 9 per cent of the province's value of production in 1954, the principal sources of farm income being, live stock, dairy products, tobacco, poultry, eggs and vegetables. The net value of construction accounted for nearly 16 per cent of provincial output in 1954, as compared with 12.6 per cent in 1949.

Manitoba

Manitoba's net value of commodity production rose from \$482,000,000 in 1949 to \$580,000,000 in 1952, and then fell off to \$539,000,000 in 1954, still 12 per cent higher than it was five years previously. Manitoba's contribution to the Canadian total, however, declined from 4.8 per cent to 3.8 per cent over this period. As a result of the declines in the value of farm output in recent years, manufacturing replaced agriculture as the dominant industry. In 1954 manufacturing accounted for 43 per cent of total value of output. Slaughtering and meat packing and railway rolling stock were the leading manufacturing industries. Agriculture's share of provincial output, which had been 42 per cent in 1951, fell off to 24 per cent with the poor wheat crop of 1954. As in the other Prairie Provinces, grain and livestock are the principal farm products. The value of construction has risen considerably over the period under review, and in 1954 accounted for 23 per cent of the total output of the province, compared with 15 per cent in 1949.

Saskatchewan

The economy of this province is largely dependent upon agriculture and particularly on the wheat crop, and the reduced yield of 1954 brought a sharp decline in the value of the province's commodity output. Net value of production in 1954 was \$607,000,000, 5 per cent below the 1949 level, with the result that Saskatchewan's contribution to the Canadian total declined from 6.4 per cent in 1949 to 4.3 per cent in 1954. The share of the provincial aggregate contributed by agriculture dropped to 46 per cent, as compared with the average of about 75 per cent for the five previous years.

Manufacturing output rose in 1954 to represent over 17 per cent of the reduced production value. Petroleum products, flour milling, brewing, butter and cheese production and slaughtering and meat packing were Saskatchewan's principal manufacturing industries. The net value of construction rose steeply over the period and accounted, in 1954, for over 27 per cent of net commodity output.

Alberta

Alberta's net value of production fell off moderately to \$1,117,200,000 in 1954, still nearly 53 per cent above the 1949 total. The province's contribution to the national aggregate was 7.9 per cent in 1954 as compared with 7.3 per cent in 1949. Even apart from the poor crop of 1954, agriculture has declined in relative importance and contributed only 27 per cent to Alberta's net output in 1954, as compared with nearly 48 per cent in 1949. By contrast, the net value of the mining industry rose from \$107,000,000 to \$257,000,000 in the five-year comparison, reflecting the development of petroleum and natural gas resources, and in 1954 represented 23 per cent of commodity production against 14.6 per cent in 1949. Manufacturing output also rose steadily, and accounted for nearly 20 per cent of the provincial total in 1954 as compared with about 16 per cent in 1949. Petroleum refining, meat packing, sawmilling and brewing were the leading manufacturing industries. Construction, which had been the second-ranking industry in value of output throughout the period, accounted for 27 per cent of the provincial aggregate in 1954, fractionally above the total for agriculture, the previous leading industry.

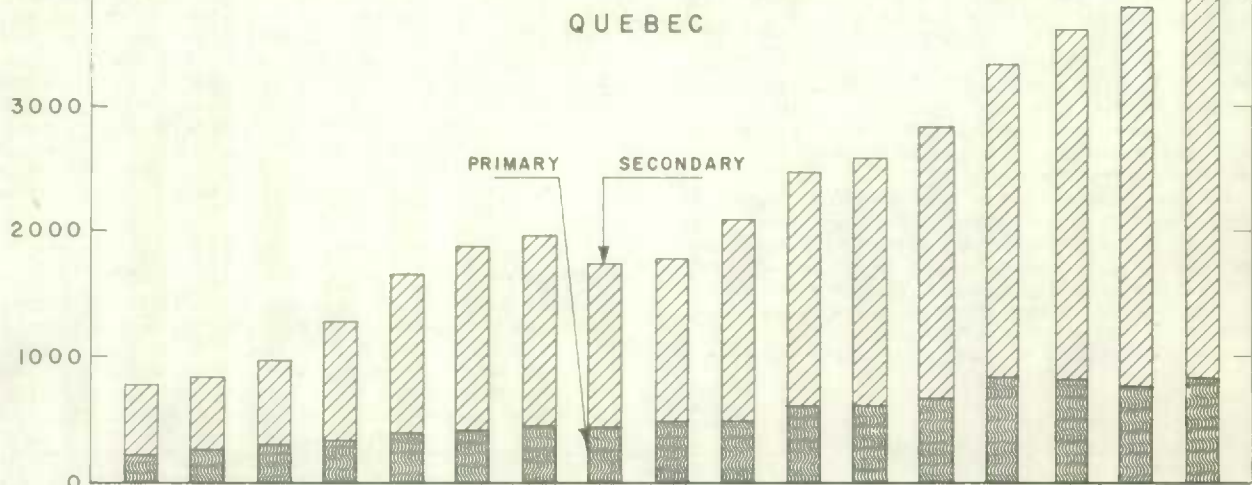
British Columbia

The net value of output in British Columbia rose from \$885,000,000 in 1949 to \$1,330,000,000 in 1954, a gain of over 50 per cent. In 1954, British Columbia contributed 9.4 per cent of Canada's output value, ranking third in this respect among the provinces. Manufacturing accounted for nearly half of the provincial total in 1954, with the principal industries being sawmilling, pulp and paper, veneers and plywoods, fish processing and petroleum products. Construction ranked second in value of output and represented over 19 per cent of the total in 1954. Forestry was third in relative importance with a share of over 13 per cent. Considerably lower levels of lead and zinc prices in 1953 and 1954 has resulted in a decline in the relative importance of the mining industry in those years. Zinc, lead, copper, gold and silver are the principal mineral products of British Columbia.

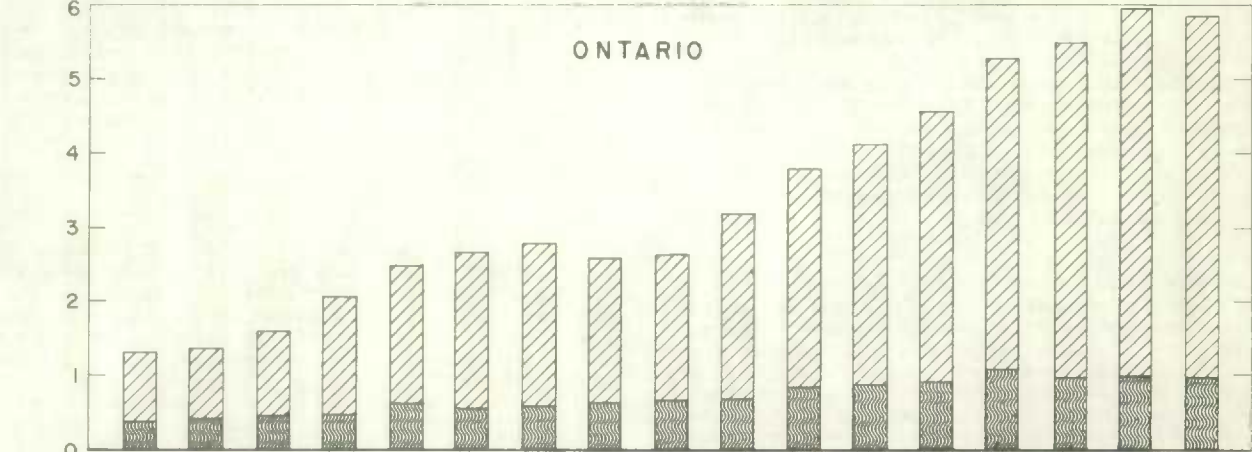
CHART - 6

NET VALUE OF PRODUCTION BY PROVINCES 1938 - 1954

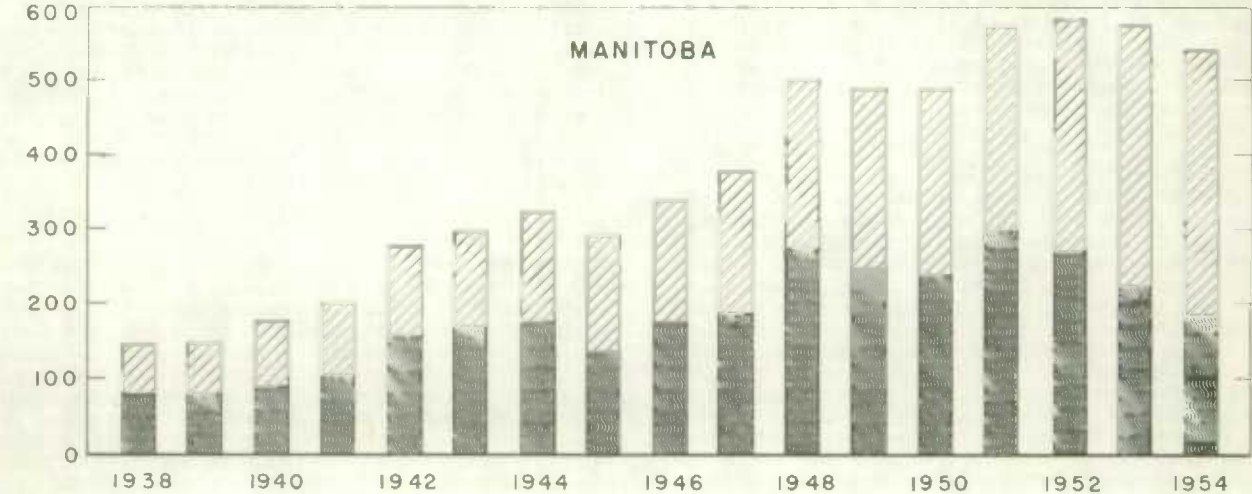
MILLION DOLLARS
4000



BILLION DOLLARS
6



MILLION DOLLARS
600



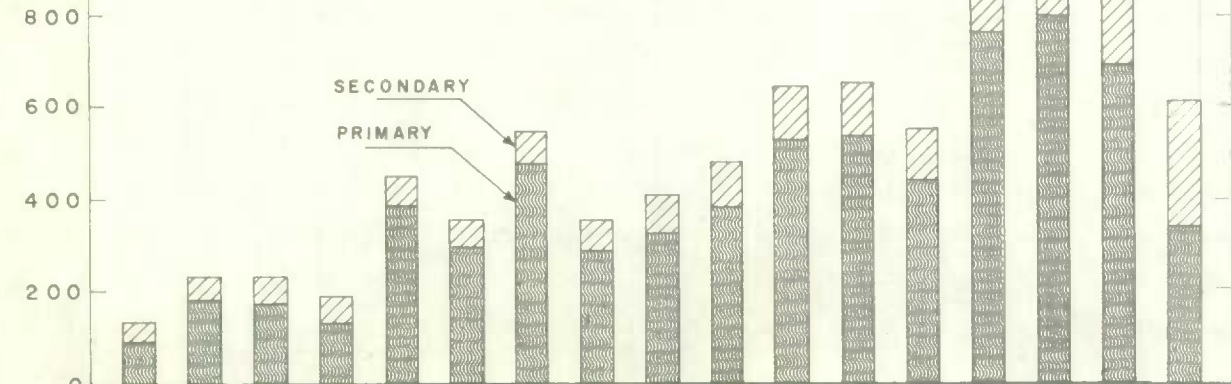
1938 1940 1942 1944 1946 1948 1950 1952 1954

CHART - 7

NET VALUE OF PRODUCTION
BY PROVINCES
1938 - 1954

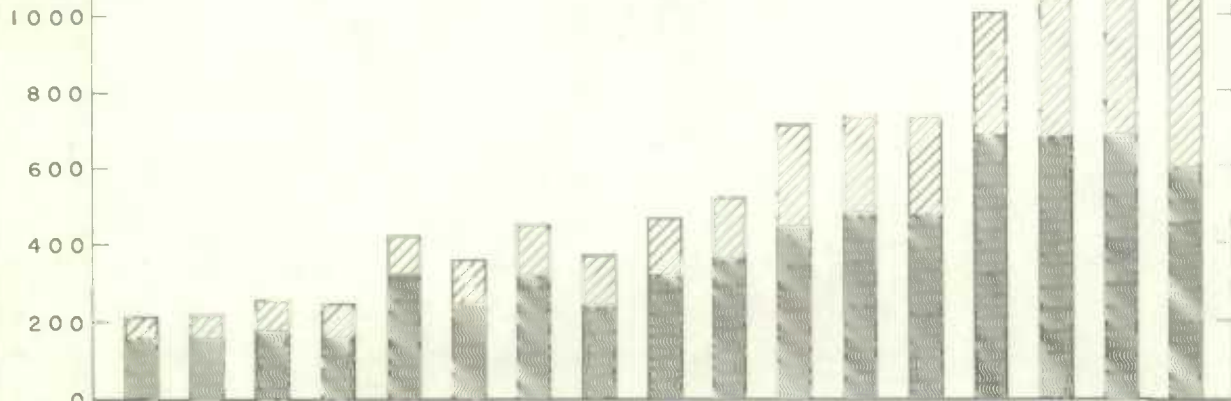
MILLION DOLLARS
1000

SASKATCHEWAN



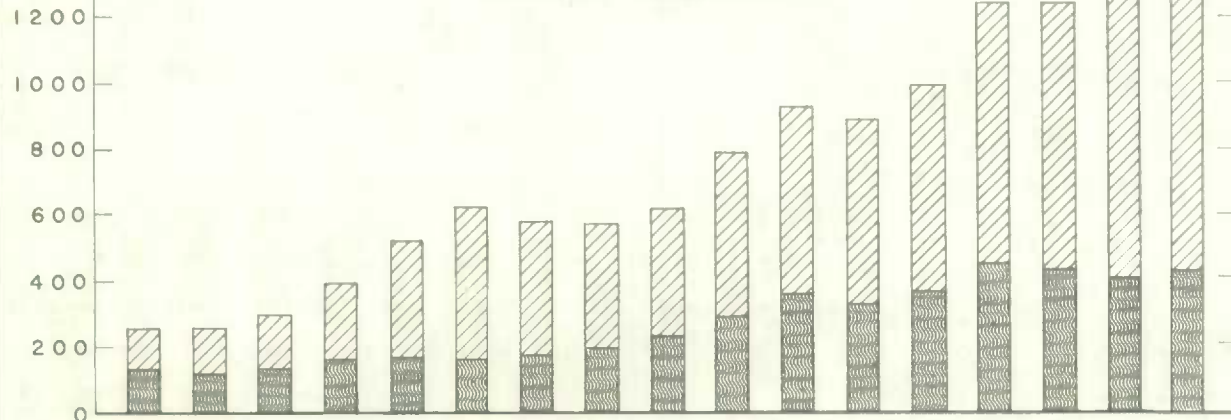
MILLION DOLLARS
1200

ALBERTA



MILLION DOLLARS
1400

BRITISH COLUMBIA*



* Production in Forestry and Construction in Yukon and Northwest Territories included in British Columbia

TABLE 6. Net Value of Production and Percentage Analysis by Provinces - Continued

Industry	Quebec									
	1950		1951		1952		1953		1954	
	\$'000	%	\$'000	%	\$'000	%	\$'000	%	\$'000	%
Agriculture	285,604	10.1	377,290	11.3	322,600	9.0	321,478	8.5	323,843	8.4
Forestry	119,585	4.2	151,534	4.5	166,976	4.6	167,228	4.4	158,084	4.1
Fisheries	3,200	0.1	3,376	0.1	3,572	0.1	3,395	0.1	2,931	0.1
Trapping	1,844	0.1	2,350	0.1	1,341	-	1,288	-	1,120	-
Mining	141,455	5.0	164,881	4.9	174,105	4.8	152,132	4.0	175,287	4.5
Electric Power	114,301	4.1	129,474	3.9	140,816	3.9	150,030	3.9	158,416	4.1
Manufactures	1,798,320	63.9	2,083,934	62.5	2,288,643	63.4	2,424,647	63.7	2,448,027	63.3
Construction	352,000	12.5	424,760	12.7	510,095	14.2	586,418	15.4	601,106	15.5
Grand total	2,816,309	100.0	3,337,599	100.0	3,608,148	100.0	3,806,616	100.0	3,868,814	100.0
	Ontario									
	1950		1951		1952		1953		1954	
	\$'000	%	\$'000	%	\$'000	%	\$'000	%	\$'000	%
Agriculture	547,577	12.1	652,451	12.4	547,082	10.0	537,569	9.0	498,547	8.6
Forestry	79,676	1.7	88,765	1.7	107,212	1.9	104,690	1.7	99,889	1.7
Fisheries	6,252	0.1	7,035	0.1	7,417	0.1	7,027	0.1	7,012	0.1
Trapping	4,097	0.1	5,213	0.1	3,657	0.1	3,869	0.1	2,683	-
Mining	161,670	3.6	178,554	3.4	182,085	3.3	184,516	3.1	196,422	3.4
Electric power	106,852	2.4	127,319	2.4	140,762	2.6	164,347	2.7	179,979	3.1
Manufactures	3,068,142	67.7	3,569,400	67.6	3,811,107	69.6	4,130,127	69.0	3,930,730	67.5
Construction	560,000	12.3	648,613	12.3	679,483	12.4	852,710	14.3	907,402	15.6
Grand total	4,534,266	100.0	5,277,350	100.0	5,478,805	100.0	5,984,855	100.0	5,822,444	100.0
	Manitoba									
	1950		1951		1952		1953		1954	
	\$'000	%	\$'000	%	\$'000	%	\$'000	%	\$'000	%
Agriculture	184,430	38.1	241,677	42.4	220,766	38.0	174,707	30.5	130,278	24.2
Forestry	5,297	1.1	6,645	1.2	8,514	1.5	6,860	1.2	6,267	1.1
Fisheries	3,880	0.8	4,263	0.7	3,439	0.6	2,717	0.5	3,088	0.6
Trapping	2,942	0.6	3,393	0.6	2,526	0.4	2,116	0.4	1,574	0.3
Mining	19,259	4.0	20,804	3.7	12,082	2.1	12,216	2.1	17,100	3.2
Electric power	16,947	3.5	18,443	3.2	19,787	3.4	22,084	3.8	24,261	4.5
Manufactures	177,051	36.6	192,849	33.8	216,814	37.4	229,797	40.0	232,488	43.1
Construction	74,000	15.3	81,878	14.4	96,496	16.6	123,140	21.5	124,032	23.0
Grand total	483,806	100.0	569,952	100.0	580,424	100.0	573,638	100.0	539,088	100.0

TABLE 6. Net Value of Production and Percentage Analysis by Provinces - Concluded

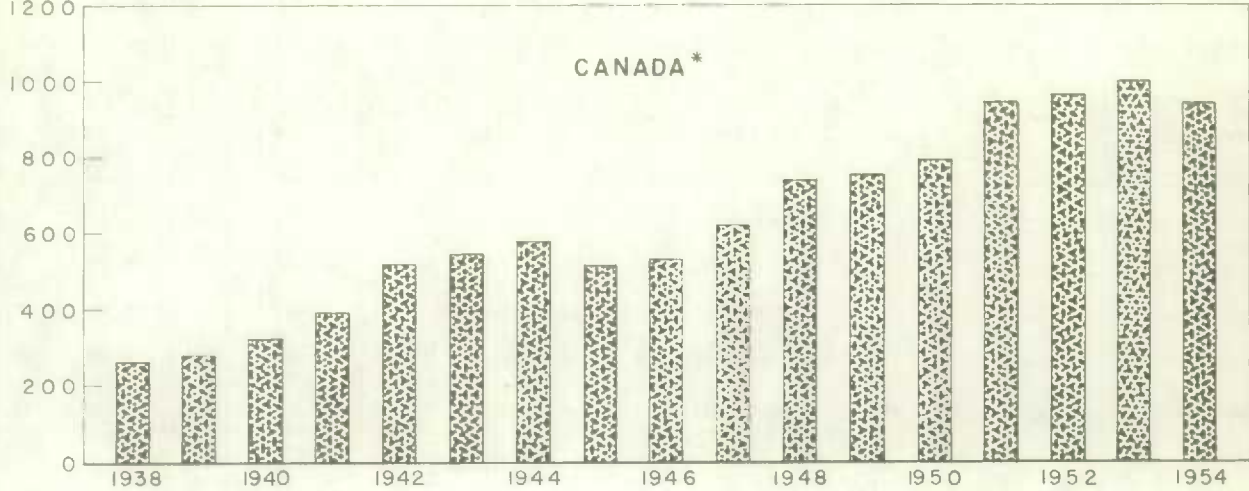
Industry	Saskatchewan									
	1950		1951		1952		1953		1954	
	\$'000	%	\$'000	%	\$'000	%	\$'000	%	\$'000	%
Agriculture	393,388	71.9	704,654	79.1	749,574	77.4	632,604	71.3	276,952	45.7
Forestry	3,423	0.6	3,083	0.4	4,698	0.5	4,257	0.5	4,450	0.7
Fisheries	718	0.1	910	0.1	679	0.1	553	0.1	741	0.1
Trapping	1,971	0.4	1,985	0.2	1,720	0.2	2,121	0.2	1,383	0.2
Mining	26,938	4.9	38,723	4.3	29,732	3.0	32,891	3.7	35,572	5.9
Electric power	10,027	1.9	11,058	1.2	12,812	1.3	14,630	1.6	16,951	2.8
Manufactures	49,495	9.0	61,089	6.9	80,934	8.4	79,941	9.0	104,561	17.2
Construction	61,000	11.2	69,649	7.8	88,078	9.1	120,199	13.6	165,895	27.4
Grand total	546,960	100.0	891,151	100.0	968,227	100.0	887,196	100.0	606,505	100.0
	Alberta									
	1950		1951		1952		1953		1954	
	\$'000	%	\$'000	%	\$'000	%	\$'000	%	\$'000	%
Agriculture	322,320	43.9	500,210	49.9	481,649	45.5	417,895	35.7	301,616	27.0
Forestry	7,204	1.0	9,445	0.9	10,831	1.0	9,813	0.9	8,613	0.8
Fisheries	437	0.1	544	0.1	654	0.1	667	0.1	667	0.1
Trapping	1,889	0.2	2,531	0.2	1,766	0.2	1,617	0.1	1,080	0.1
Mining	122,542	16.7	151,554	15.1	171,119	16.1	227,332	19.4	257,385	23.0
Electric power	13,863	1.9	16,591	1.7	19,522	1.8	22,414	1.9	25,622	2.3
Manufactures	123,893	16.9	141,650	14.1	178,221	16.8	199,660	17.0	219,328	19.6
Construction	142,000	19.3	180,188	18.0	195,622	18.5	291,380	24.9	302,898	27.1
Grand total	734,148	100.0	1,002,713	100.0	1,059,384	100.0	1,170,778	100.0	1,117,209	100.0
	British Columbia									
	1950		1951		1952		1953		1954	
	\$'000	%	\$'000	%	\$'000	%	\$'000	%	\$'000	%
Agriculture	63,457	6.4	73,526	5.9	84,497	5.2	69,464	5.3	68,581	5.2
Forestry ¹	130,872	13.1	162,835	13.1	161,994	13.1	162,577	12.3	174,416	13.1
Fisheries	36,345	3.7	40,638	3.3	30,158	2.4	31,280	2.4	34,458	2.6
Trapping	950	0.1	1,589	0.1	813	0.1	709	0.1	568	-
Mining	91,954	9.2	122,467	9.9	115,524	9.3	85,098	6.4	94,781	7.1
Electric power	31,050	3.1	36,003	2.9	41,258	3.3	45,265	3.4	49,467	3.7
Manufactures	479,606	48.2	592,449	47.8	556,172	44.9	615,686	46.6	651,813	49.0
Construction ¹	161,000	16.2	210,718	17.0	268,593	21.7	310,455	23.5	256,177	19.3
Grand total	995,234	100.0	1,240,225	100.0	1,239,009	100.0	1,320,534	100.0	1,330,261	100.0

1. Includes Yukon and Northwest Territories.

CHART - 8

PER CAPITA NET VALUE OF PRODUCTION

DOLLARS
1200



* Excluding Newfoundland

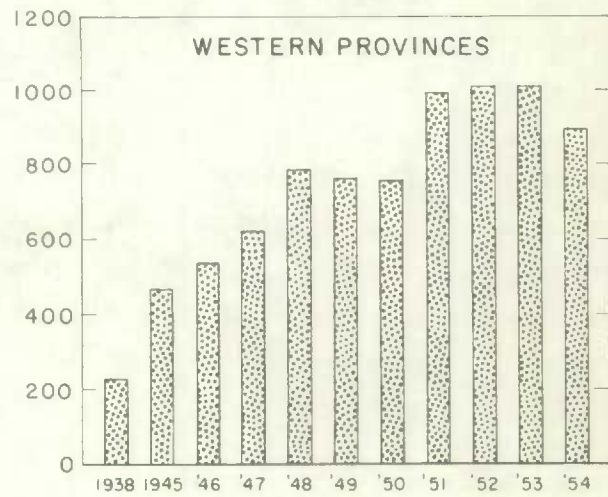
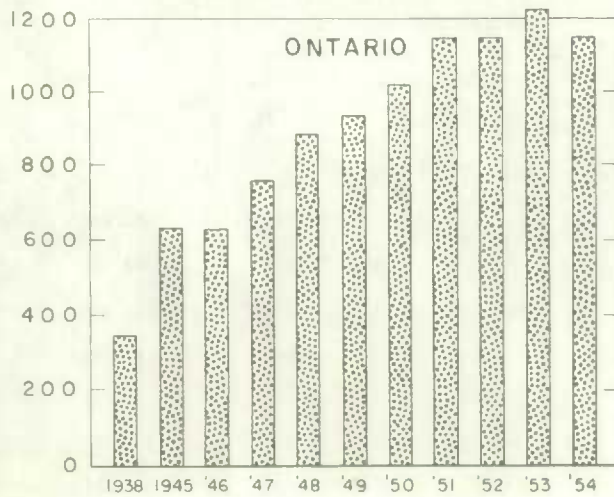
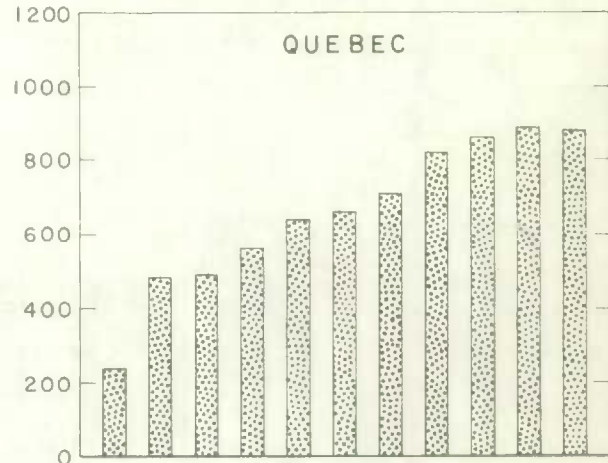
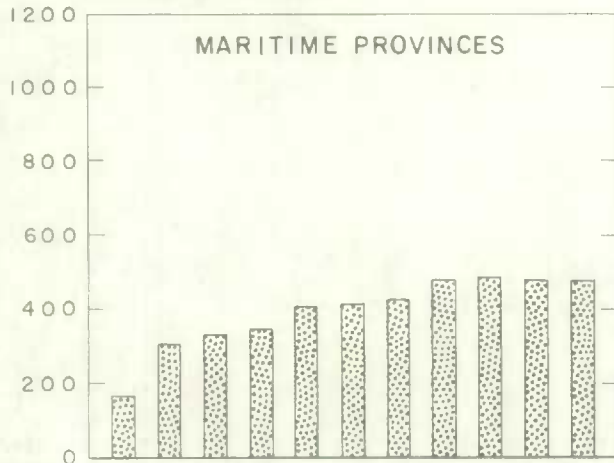


TABLE 7. Net Value of Construction¹

	Canada	Nfld.	P.E.I.	N.S.	N.B.	Que.	Ont.	Man.	Sask.	Alta.	B.C.
	million dollars										
1938.....	369		2	18	16	107	139	15	23	21	28
1939.....	373		3	18	16	119	127	15	23	25	27
1940.....	379		5	21	11	108	129	22	24	29	30
1941.....	479		2	22	14	132	174	22	25	40	48
1942.....	618		2	44	12	215	178	22	24	47	74
1943.....	658		2	41	13	175	229	26	23	45	104
1944.....	635		3	37	19	166	231	26	27	60	66
1945.....	594		2	31	17	157	209	34	28	53	63
1946.....	755		2	35	25	182	274	41	37	65	94
1947.....	966		3	40	32	245	358	51	47	74	118
1948.....	1,280		5	45	37	305	472	74	68	122	152
1949.....	1,371	13	7	51	42	308	515	72	64	140	159
1950.....	1,475	23	7	44	51	352	560	74	61	142	161
1951.....	1,738	24	7	49	42	425	648	82	70	180	211
1952.....	1,977	36	6	55	41	510	679	97	88	196	269
1953.....	2,454	38	7	73	52	586	653	123	120	291	310
1954.....	2,529	37	10	74	51	601	907	124	166	303	256

1. See Description of Methods.

TABLE 8. Relation of Net Production to Other Factors

	Net commodity production	Wholesale prices	Volume of industrial production ¹	Gross national product	Wages, salaries and supplementary labour income	Population as at June 1st	Civilian labour force as at June 1st ²
	million dollars	1935-39=100	1935-39=100	million dollars	million dollars	thousands	thousands
1938.....	2,947	102.0	102.0	5,233	2,494	11,152	4,538
1939.....	3,187	99.2	109.7	5,707	2,575	11,267	4,598
1940.....	3,719	108.0	131.4	6,872	2,929	11,381	4,556
1941.....	4,566	116.4	164.8	8,517	3,575	11,507	4,417
1942.....	6,059	123.0	195.7	10,539	4,242	11,654	4,519
1943.....	6,478	127.9	208.5	11,183	4,783	11,795	4,522
1944.....	6,955	130.6	212.4	11,954	4,940	11,946	4,507
1945.....	6,226	132.1	187.2	11,850	4,953	12,072	4,483
1946.....	6,581	138.9	171.9	12,026	5,323	12,292	4,862
1947.....	7,793	163.3	187.8	13,788	6,221	12,551	4,954
1948.....	9,509	193.4	196.3	15,613	7,170	12,823	5,035
1949.....	9,990	198.3	199.6	16,462	7,761	13,447	5,092
1950.....	10,758	211.2	211.5	18,203	8,311	13,712	5,198 ³
1951.....	13,075	240.2	226.5	21,474	9,716	14,009	5,236
1952.....	13,728	226.0	233.0	23,255	10,866	14,430	5,335
1953.....	14,545	220.7	248.4	24,473	11,715	14,761	5,447
1954.....	14,125	217.0	244.6	24,317	11,994	15,195	5,483
1955.....		216.9	265.8	26,769	12,810	15,601	5,615

1. Source: "Revised Index of Industrial Production, 1935-1951", D.B.S.

2. Source: Prior to 1946, "Canadian Labour Force Estimates 1931-1950", D.B.S. Since 1946, "The Labour Force November 1945-January 1955", Reference Paper No. 58.

3. Due to flood conditions, estimates for Manitoba for June, 1950, were based on previous experience rather than direct survey.

Per Capita Net Value of Production

Between 1949 and 1954, the advance of 41 per cent in the net value of commodity production was accompanied by a 13 per cent increase in population and a rise of over 10 per cent in the labour force.

The national per capita net value of commodity output (exclusive of Newfoundland) increased from \$756 in 1949 to \$1,000 in 1953, dropping to \$943 in the following year, but still 25 per cent above the 1949 level. Wholesale prices rose by slightly over 9 per cent in the same period, indicating a "real" gain in per capita production.

Per capita net value of output in the Maritime Provinces has always been far below the Canadian average, and was just over half the national figure in 1954. Quebec's per capita production, which was nearly 13 per cent below the national

average in 1949 stood at just 6.5 per cent under this average in 1954. Per capita output in Ontario, consistently the highest among the provinces, dropped somewhat in 1954 but remained more than 22 per cent above the national average.

Manitoba's production per capita has been well below the national average throughout the period, and, at \$651, was 31 per cent below this average in 1954. The per capita figure for Saskatchewan, which fluctuates very widely with crop conditions, fell from 19 per cent above the Canadian average in 1952 to nearly 27 per cent below it in 1954. In recent years, per capita output in Alberta has been well above the national average, and exceeded it by 14 per cent in 1954, when Alberta ranked second in per capita production. The well diversified economy of British Columbia always ranks high in per capita production, and in 1954 stood close behind Alberta, 12 per cent above the national figure.

SOURCES AND METHODS

1. **Agriculture.** The series on the net value of agricultural production originates in the Agriculture Division of the Bureau. The computation is effected in connection with the project on "Net Income of Farm Operators from Farming Operations". The Quarterly Bulletin of Agricultural Statistics, April-June 1944 and January-March 1947, presents the background for the estimates. Gross value of agricultural production is the sum of the cash receipts from the sale of farm products, the income in kind (not including house rent) and the value of changes in inventories. Income in kind consists of the commodities produced on the farm and consumed by the farm family, valued at their alternative market prices. The inventory figure consists of the value of positive or negative changes in livestock and poultry inventories for all provinces, and grain inventories in the three Prairie Provinces.

Operating expenses (excluding taxes on all farm land, net farm rent, wages to paid labour and interest on mortgages and other debt) are deducted from gross farm production (less house rent) to give the net value of production. The net value series, compiled on this basis, is not yet available prior to 1938.

2. **Forestry.** The forestry totals are obtained from the Forestry Branch of the Bureau. The gross value of production resulting from operations in the woods is compiled from consumption data reported by pulp and paper establishments, sawmills and other wood-using industries, together with special estimates for such items as fuel wood, fence posts and rails, round mining timber, etc. The value of materials and supplies used is estimated for Canada on the basis of returns from the more important logging concerns which, in 1954, produced about 37 per cent of the total cut. The value of materials and supplies was distributed by provinces according to the amount of gross production.

The net value obtained by subtracting the value of materials and supplies from the gross value includes the net value of forest products acquired by farmers from farm wood lots whether retained for own use (income in kind) or sold. Woodcutting of farmers is not generally a main occupation and as the net value of these products is already included in the net value of agriculture, the deduction was made from the net value of forestry to eliminate duplication. The gross value of farm forest products is estimated for Canada and the provinces in the Agriculture Division, and the net value is obtained by applying to the Canada total the "net value"- "gross value" ratio of total operations in the woods and distributing this net total by provinces according to the gross value of farm forest products.

3. **Fisheries.** The series used for this industry is the total value of fish caught and landed as compiled in the Fisheries Section of the Bureau. It represents the value of the catch of sea and inland fish before processing. No data are available as to the cost of materials and supplies used by fisher-

men and the values shown, therefore, are somewhat higher than would be obtained if data were available to compile net value figures.

4. **Trapping.** Prior to 1944, the value of production in the trapping industry was obtained by deducting the value of the pelts sold from fur farms in calendar years (as shown in the "Report on Fur Farms") from the total value of fur production (wild life and ranch-raised) during the fur years terminating at the end of June as reported in "Fur Production". The difference indicated for Prince Edward Island was arbitrarily reduced as the derived value for wild life was believed excessive. The Canada total was correspondingly reduced giving effect to the adjustment.

From 1945 to 1948, the value was computed from separate volume data on wild life as shown in the report "Fur Production", published by the Agriculture Division of the Bureau. The sum of the number of ranch-raised types by species multiplied by the corresponding combined unit values was deducted from the total value of pelts produced.

Beginning in 1949, separate values are published in "Fur Production" for wild life pelts produced and these now represent the value of the trapping industry. As in fisheries, no data are available on materials and supplies used by trappers, and the value shown is in reality a gross value.

5. **Mining.** The basic data for the mining industry originate in the Mineral Statistics Section of the Bureau. The published total of the net value of bullion, ore, concentrates, residues and other minerals shipped from the mines, smelters, brick and cement plants and quarries includes the output of several industries classified to manufacturing in the Standard Industrial Classification. These industries are non-ferrous metal smelting and refining, clay products, cement, lime and salt. The net values of these industries were deducted from the published net aggregate values of the mining industry.

6. **Electric Power.** The gross revenue of the industry is published annually in the Transportation Section's report on "Central Electric Stations". The duplication consisting of inter-station purchases of power within the industry and inter-provincial transfers is eliminated. The provincial revenue figures published in the "Central Electric Stations" report are not adjusted for inter-provincial purchases and differ, therefore, from the provincial figures appearing in the tables of this report. The net value of production is obtained by deducting the cost of fuel consumed from the gross value. The cost of other materials and supplies is not available.

7. **Manufacturing.** The net value of manufacturing for Canada and the provinces is published in the reports of the General Manufactures Section. No adjustment for duplication is necessary as no manufacturing industries are included in the net value figures of the primary industries. Prior to

1952, the net value of production was obtained by subtracting the cost value of materials, fuel and electricity from that of the gross value of products. For 1952 and 1953, Census of Industry questionnaires requested the value of factory shipments rather than the gross value of products, and the "value added" for the manufacturing industry was obtained by subtracting the value of materials, fuel and electricity from the value of factory shipments.

Beginning in 1954, the manufacturing questionnaires asked for the book value of opening and closing inventories of raw materials, goods in process and finished products as well as the value of factory shipments. The net value now is derived by first adjusting the value of shipments for the change in the value of inventory of finished goods (thus obtaining a gross value of production) and then subtracting the cost of materials and fuel and electricity. The figures for 1952 and 1953 are therefore not strictly comparable with previous and subsequent years although differences are likely to be relatively small.

8. **Construction.** Prior to 1951 the series on value of construction was based entirely on compilations of data supplied by firms and individuals who performed the work. For 1951 and subsequent years the statistics are based largely on information received from firms and individuals paying for the work done. The data represent all new and repair construction undertaken in Canada and thus include work done by the labour force of industrial concerns, institutions, governments and individuals, in addition to that done by general, trade and sub-contractors¹. The figures on the value of construction include all costs incurred, directly or indirectly, by the firm paying for the work and follow the same concepts and definitions used in the construction estimates which appear in the reports "Private and Public Investment Outlook". Of the total value of construction shown, 76 per cent is the result of direct surveys of business firms, institutions, government-owned enterprises and departments and of residential building activity. The remainder is estimated. Further details on definitions, sources and methods are given on page 44 of the D.B.S. Bulletin "Construction in Canada, 1953-1955".

The estimates of the cost of materials used are based on an annual survey of construction contractors. These surveys provide ratios of cost of materials used to value of work performed to be applied to total value of work performed as reported in the investment survey. Beginning in 1951,

these estimates are available by provinces, and the net figures published in this report are obtained by subtracting the cost of materials used from the total value of construction work performed.

For the years 1948-1950, the value of work performed (or gross value) according to the new definition was available for Canada and for each province. To obtain estimates of net value, the Canada and provincial ratios of net value to gross value derived from the old surveys of construction for these years were applied to the new Canada and provincial bench-marks of gross value. A small adjustment was then applied to the provincial figures so that their sum would equal the Canada total.

Prior to 1948, only the Canada "gross" figures were available and the derived estimates of net value for Canada and each province are only approximate. Tests with construction labour force provincial distributions in the Census Years 1941 and 1951 indicate, however, that the results appear adequate for purposes of general analysis and that the estimated net values for Canada and the provinces are more realistic than the figures formerly published in this report.

For the period 1938-1947, the annual Canada figures for the value of new construction and repairs and maintenance published in "Public Investment and Capital Formation" (Dept. of Reconstruction) were distributed by provinces according to the provincial data shown in the Bureau construction industry reports for those years. These derived provincial estimates were then adjusted for discrepancies between this method of distribution and the actual provincial figures as revealed by tests for the years 1948 and 1949 when both actual and derived provincial figures were available. (According to the revised system, for instance, the value of construction in the Prairie Provinces is relatively much greater than was formerly shown). These adjusted provincial gross value estimates were then placed on a net basis by multiplying each provincial figure by the ratio of net value to gross value as indicated by the old construction industry surveys for each year of the period.

1. If it is assumed that the value of work done on repairs and maintenance by "own account" workers of individual industries is also reflected in the value of the products of those industries, there is a relatively small amount of duplication between the net value of the construction industry and the net values of the other commodity industries.

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