Introduction: Three Types of Industry
Economists usually divide the Canadian economy into three distinct types or sectors; primary, secondary, and tertiary. Canada’s economic history began with the primary sector. Europeans fished the Grand Banks (near Newfoundland), trapped fur bearing animals, and cut lumber for export. As the population of Canada grew, so did the size of this primary industry.

Types of Industry (plus examples)

- **Primary Industry (Extractive)**
  - Mining
  - Fishing
  - Forestry
  - Farming

- **Secondary Industry (Manufacturing)**
  - Automobile makers
  - Steel makers
  - Jewelers
  - Boat builders
  - Fish canneries
  - Construction
  - Food processing

- **Tertiary Industry (Services)**
  - Stores (retail)
  - Schools
  - Hospitals
  - Banks
  - Communications
  - Dentists
  - Sports teams
  - Theaters
  - Hotels
  - Restaurants
  - Transportation
  - Doctors
  - Government agencies

The Gross National Product (GNP) is the total value of all goods and services supplied in one year. Since 1905, Canada’s GNP has risen steadily. This means that Canada is an economically successful country. Every working Canadian contributes to the GNP.

**Primary Industry**
The primary sector is also called the extractive industry or resource industry. The economic activities in this sector are associated with removing raw materials from the earth: namely extracting minerals, raising crops and livestock (e.g., cattle, pigs, chickens, etc.), the cutting of trees, and the catching of fish.

The **first primary industry is Agriculture**. It is the largest employer of people in the primary sector. In the 1920’s, 25% of the population worked on farms. With the rapid growth of industries in the cities, and the mechanization of farm implements, more people moved off the farm to the cities. The 1991 census reported that only 3.5% of the population worked in this sector.

Canadians consume about 70% of the nations’ agricultural output, the remaining 30% is available for export. Grains such as wheat, barley, and oats are the major agricultural products for export. Agricultural products account for 10% of all Canadian exports. Canada ranks seventh in the world as an exporter of agricultural products.

Canada has less than 8% of its land area classified as useful farmland. It is surprising that our country is self-sufficient in food supply. The major types of agriculture in Canada are: wheat growing, cattle ranching, mixed farming (cattle + grain), mixed farming (cattle + grain + vegetables), fruit + vegetables + tobacco, and dairy farming + grain. The type of agricultural activity that can be developed in any area is a factor of climate and soils. The climate for the growing of wheat is very different than the climate required for the growing of grapes.
The *second primary industry is Mining*. It is the second largest employer of people in the primary sector. In the 1920’s, 10% of the population worked in mining. By the 1960’s mining procedures and equipment improved dramatically. New safety hardware reduced danger in the deep shaft mines. In the 1970’s many of Canada’s minerals were rapidly depleting. The remaining minerals were buried deep underground. To extract these minerals the mining companies had to adjust to more expensive extractive techniques. The 1991 census reported that only 1.5% of the population worked in this sector.

The Canadian mining industry is still a major world-wide mineral producer – despite the declining labour force. Canada ranks third after the United States and Russia among mineral producers. Minerals are grouped into four categories: metallic (e.g., gold, silver), non-metallic (e.g., salt, asbestos), mineral fuels (e.g., natural gas, oil), and structural materials (e.g., limestone for cement, clay for bricks). The most valuable are the metallic minerals such as copper, gold, iron, lead, nickel, silver, uranium, and zinc. Most of these minerals are found in the Canadian Shield and parts of the Western Cordillera (see map below).

Canadians consume about 20% of the nations’ mineral output, the remaining 80% is available for export. Canada leads the world in mineral exports: 65% is exported as crude minerals (e.g., concentrated iron ore - rock containing iron, scrap metal, etc.), and 35% as processed minerals (e.g., uranium ore converted into pellets of uranium, ingots of silver, wire, bars, etc.).

The *third primary industry is Forestry*. It is the third largest employer of people in the primary sector. In the 1920’s, 10% of the population worked in forestry. By the 1970’s new tree cutting machines almost eliminated the chain saw tree cutting method. Methods of transporting the cut trees to the sawmills have improved, also reducing the number of workers. The

![Log transport to the sawmill](image)

advances in technology and government imposed tree cutting quotas further reduced the labour force. The 1991 census reported that only 0.5% of the population worked in this sector.
Canada’s forests contain about 139 species of trees, of which 28% are coniferous (keep their needles all year round) or also called softwood trees. Softwood species such as fir, hemlock, pine, cedar, and spruce account for 95% of all trees cut. Softwood trees reach maximum height in the warm, moist climate of British Columbia. They have stunted growth in Canada’s colder, drier climates. Canadians consume about 40% of all the nation’s forest products; the remaining 60% is exported. Exports include: newsprint, wood pulp, and lumber.

Most of Canada’s trees are clear cut ~ every tree in an area is cut down. This is the cheapest tree cutting method. Clear cutting is followed by government enforced reforestation. Seedlings are planted to reduce the risk of soil erosion and speed the growth of a new forest.

**Reforestation:**

_the planting of new trees_

The seedling is planted about 3 cm below ground.

The fourth primary industry is Fishing. It is the fourth largest employer of people in the primary sector. In the 1920’s, 2% of the population worked in fishing. In the 1960’s new large boats began to replace the one-or-two-man small fishing boats. The one-or-two-man crew would go out to sea at dawn and return by mid-day with their catch. The fish were cleaned, sold locally, or to a near-by fish processing plant. Today large ocean going vessels with 150 crew members are cheaper to operate than the smaller boats. These large ships usually go out to sea for two months at a time. Most of these ships have onboard facilities to process and freeze all fish caught. The 1991 census reported that only 0.2% of the population worked in this sector.

Canadians consume about 30% of the nations’ fishing catch; the remaining 70% is available for export. On the Pacific Coast, the most valuable catch (i.e., salmon, halibut, and herring) is exported. On the Atlantic Coast, the most valuable catch (i.e., lobster, scallop, cod, sole, and pollock) is exported. In recent years, however, both the Pacific and Atlantic fish stocks have been reduced by over fishing.

Visiting fishing fleets from Denmark, Japan, Spain, Portugal, and the United Kingdom are competing with Canadian fishermen. Canada and the United States established in 1977, a 322 kilometre limit to protect its fishing industry. Foreign fishing boats are not allowed to enter this 322 km limit. The Canadian federal government also signed treaties with other nations to try to protect certain species of fish from over-fishing.
Instructions: Complete all sections.

1. Name the three types of Industry.
   a)  
   b)  
   c) 

2. What industry began Canada’s economic history? 

3. Define the term GNP. 

4. What other names or expressions are used to describe the Primary Industry? 
   a)  
   b)  

5. What economic activities are associated with the Primary Industry? 

6. Name the six major types of agriculture. 
   a)  
   b)  
   c)  
   d)  
   e)  
   f) 

7. Name the four categories of minerals. 
   a)  
   b)  
   c)  
   d) 

8. What mineral category is most valuable? 

9. How are most of Canada’s trees cut? 

10. What procedure normally follows clear cutting? 

11. Describe the differences between small boat fishing and large boat fishing. 
   Small: 
   Large: 

12. Complete the chart below. 

<table>
<thead>
<tr>
<th>Category</th>
<th>AGRICULTURE</th>
<th>MINING</th>
<th>FORESTRY</th>
<th>FISHING</th>
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<tr>
<td>Employer Rank</td>
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<tr>
<td>Percentage of people employed in 1920</td>
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<tr>
<td>Percentage of people employed in 1991</td>
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<td>Change from 1920 to 1991 (+ or -)</td>
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<tr>
<td>Amount consumed by Canadians</td>
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<td>Amount exported</td>
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<tr>
<td>What is exported?</td>
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