

3.3 INDUSTRIAL PRODUCTION IN CALIFORNIA (Value-Added Manufacturing)

The total value of shipments made by California's value-added manufacturing industries was \$176 billion during 1980. California leads the Nation in the value of products shipped, the number of people employed in manufacturing, and in value-added by manufacturing. This is, in part, due to the high productivity of California's skilled labour force.

In 1980, the State accounted for 9.5 percent of the Nation's total shipments. In that year, California registered a 30 percent increase in shipments over 1976 figures compared with the Nation, which registered a 21 percent overall increase. As the first ranking manufacturing state in the Nation, California is approximately 27 percent ahead of Ohio, it's nearest competitor. Michigan, Texas, Illinois, and New York follow Ohio in that order. This fact alone makes California an attractive target for export oriented Canadian machinery manufacturers.

It can be seen from Table 3.3 following that the State's most important industry groups in 1980, ranked by volume of sales, were food and kindred products, which accounted for 16 percent of the State's total. Transportation equipment ranked second at 12.9 percent and electric and electrical equipment followed at 10.6 percent. For the purpose of this study, and as shown in Table 3.3, we have included industries which produce shipments totaling \$131.4 billion. (We have not included industrial groups which offer little potential to the packaging machinery industry. These groups include the heavy metal industries and petroleum and coal products).