

# DOMINION BUREAU OF STATISTICS

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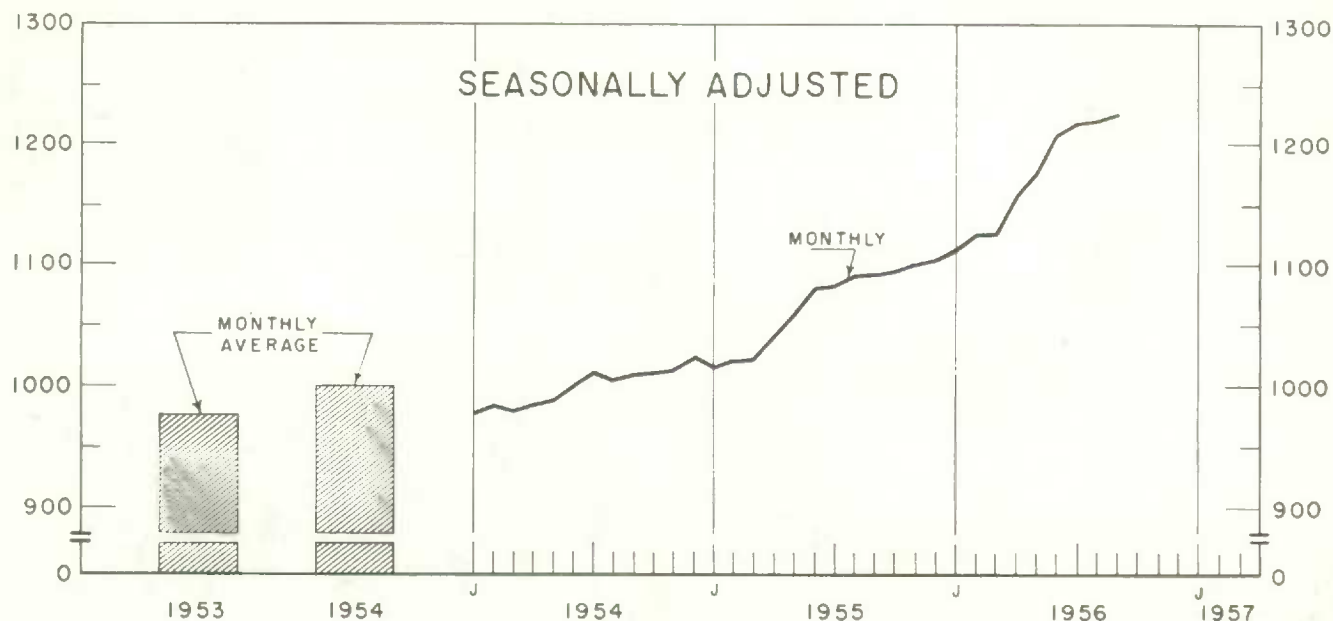
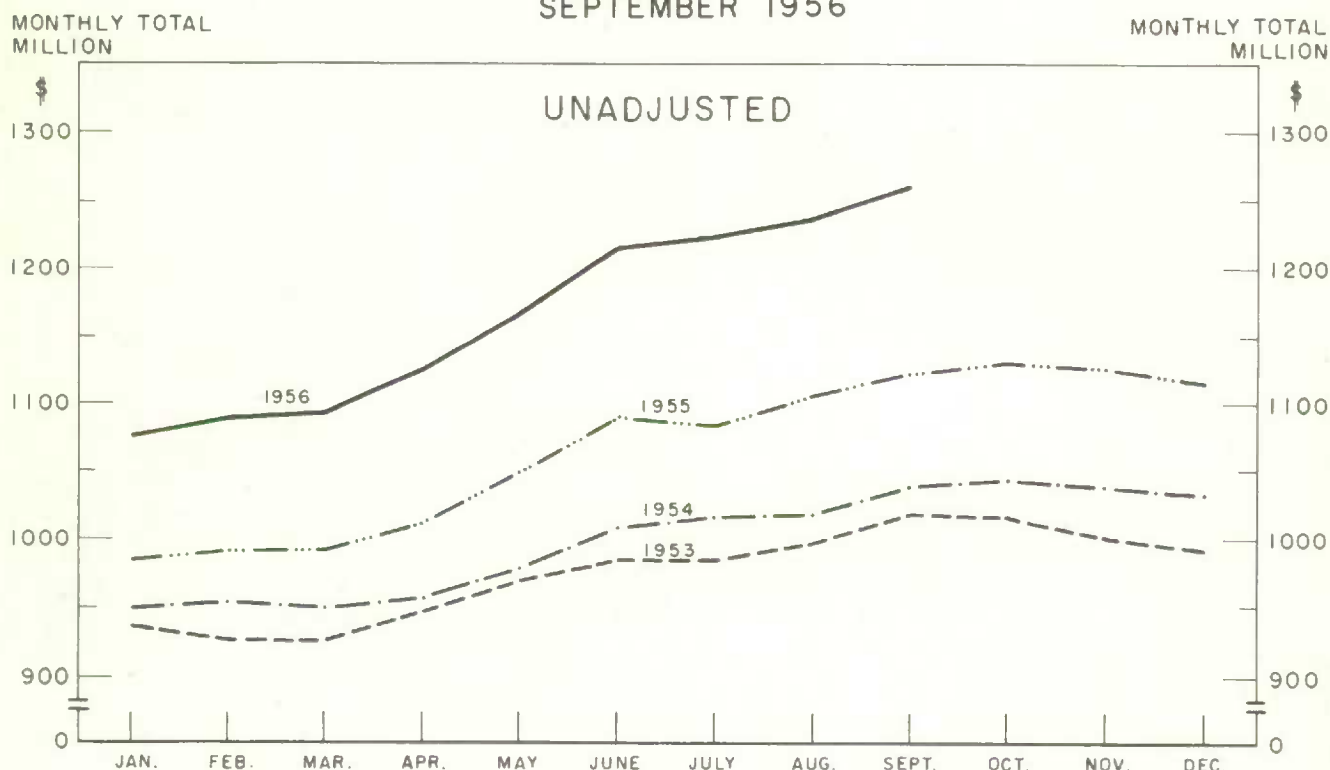
Memorandum

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## ESTIMATES OF LABOUR INCOME

SEPTEMBER 1956



ESTIMATES OF LABOUR INCOME  
(\$ Millions)

		Agriculture, Forestry, Fishing, Trapping, Mining	Manu- fac- turing	Con- struc- tion	Utilities, Trans- portation, Communi- cation, Storage, Trade	Finance, Services (Includ- ing Govern- ment)	Supple- mentary Labour Income	Total
1939	M	23	62	8	58	59	5	215
1940	o	26	78	11	63	60	6	244
1941	n	29	106	16	73	66	8	298
1942	t	30	142	18	80	72	11	353
1943	h	32	168	21	86	78	14	399
1944	l	33	171	17	95	83	13	412
1945	y	35	156	19	100	90	13	413
1946		41	147	25	114	103	14	444
1947	A	42	177	34	134	114	17	518
1948	v	49	203	41	154	131	19	597
x1949	e	49	214	47	169	147	21	647
1950	r	55	231	47	180	156	24	693
1951	a	72	272	52	208	178	28	810
1952	g	76	303	63	233	199	32	906
1953	e	73	329	70	252	217	35	976
1954	s	73	323	69	261	239	35	1,000
1955		77	342	78	278	256	37	1,068
1954 -	August	81	323	75	266	238	36	1,019
	September	82	326	79	267	249	36	1,039
	October	84	323	83	269	249	36	1,044
	November	82	321	77	269	253	36	1,038
	December	78	326	71	269	253	36	1,033
1955 -	January	73	316	60	258	244	35	986
	February	70	325	57	258	246	35	991
	March	62	328	57	260	250	35	992
	April	61	333	64	268	249	36	1,011
	May	72	338	74	275	253	37	1,049
	June	80	344	85	281	262	38	1,090
	July	83	343	86	284	251	38	1,085
	August	85	351	93	284	256	38	1,107
	September	84	354	94	287	266	38	1,123
	October	86	354	100	288	264	39	1,131
	November	86	354	89	292	268	39	1,128
	December	85	357	78	293	265	39	1,117
1956 -	January	75	349	71	280	263	39	1,077
	February	79	358	69	282	264	38	1,090
	March	70	365	70	284	266	39	1,094
	April	68	371	79	291	277	40	1,126
	May	78	377	92	301	281	40	1,169
	June	89	381	105	311	288	41	1,215
	July	95	382	105	317	281	43	1,223
	August	98	382R	108R	319	286	43R	1,236R
	September	99	386	110	324	299	43	1,261

xIncludes Newfoundland, since 1949. R: Revised.

## ESTIMATES OF LABOUR INCOME

September 1956

At \$1,261 million, September labour income received by paid workers in Canada reached a new high level. This estimate was \$25 million higher than that for August and \$138 million, or 12 per cent, above that for September 1955.

The advance in labour income in September was quite general. Finance and services recorded a sizable seasonal increase of \$13 million; and the distributive industries, manufacturing and construction showed gains of \$5 million, \$4 million and \$2 million, respectively. An increase of \$1 million took place in the total wages and salaries in the primary group, where the decline in farming was more than offset by increases in logging and mining.

The cumulative total of labour income for the first 9 months of 1956 stood at \$10,491 million, which was \$1,057 million, or 11 per cent, larger than the total for the first 3 quarters of 1955. Total wages and salaries in all the industrial divisions rose over the period between 10 per cent and 12 per cent, with the exception of construction, which registered a gain of over 20 per cent. The contribution to labour income growth by employment was slightly greater than for average earnings. Paid workers in all branches of the economy averaged 4,289,000 persons during the first 3 quarters of 1956, as compared with 4,051,000 persons for the same period in 1955, while per capita earnings in the major non-agricultural industries averaged \$63.53 and \$60.56, respectively. The average factory work week of nearly 41 hours for the first 9 months of 1956 was a shade longer than the average for the same period in 1955.

Continuing unbroken quarterly increases since the beginning of 1954, the estimate of labour income of \$14,644 million, seasonally adjusted at annual rates, for the 3rd quarter of 1956 was more than 3 per cent above the total for the preceding quarter.

The Consumer Price Index, which turned up during the 2nd quarter after an extended period of stability, stood at 119.8 per cent of the 1949 average on October 1st, and compared with 116.9 on October 1, 1955.





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# Notes on Estimates of Labour Income

Estimates of total labour income comprise all wages, salaries and supplementary remuneration for employees' services. Gross earnings—before deductions for income tax, unemployment insurance and pension contributions—are used in the calculation of total wages and salaries, which include bonuses and commissions as well as free room and board provided by the employer. Employers' contribution to unemployment insurance, workmen's compensation, pensions and welfare are shown as supplementary labour income.

The monthly estimates of total wages and salaries are projections from annual estimates, mainly on indexes of aggregate payrolls for major industrial groups along with various employment and wage rate data. A constant number of working days in each month is assumed in the estimation of labour income. A detailed account of the concepts and methods is set out in the report "National Accounts, Income and Expenditure by Quarters 1947-1952" (November 1953).

The annual estimates of labour income are compiled from basic sources within the Bureau and from other reports of governments and business. Labour income constituted 62 per cent of net national income at factor cost in 1955. The relationship between labour income and other items of the national accounts are shown in the bulletin "National Accounts, Income and Expenditure, 1950-1955" (July 1956).

Seasonal patterns in monthly labour income by major industrial groups were eliminated, on the basis of records for the period 1947 to the middle of 1955, by dividing the original estimates by seasonal indexes. Ratios of original labour income estimates to 12-month moving averages were used to isolate the seasonal and random factors in the series. Twelve monthly seasonal indexes totalling 1200 were computed from averages of the ratios, excluding any extreme items in the process.

## Seasonally Adjusted Estimates of Labour Income (\$ Millions)

	<u>1953</u>	<u>1954</u>	<u>1955</u>	<u>1956</u>
January	967	979	1,017	1,110
February	956	984	1,021	1,124
March	957	980	1,022	1,127
April	977	986	1,040	1,159
May	980	990	1,061	1,181
June	979	1,001	1,081	1,207
July	980	1,011	1,082	1,218
August	983	1,006	1,092	1,219
September	988	1,010	1,092	1,224
October	986	1,011	1,096	
November	979	1,012	1,100	
December	983	1,024	1,106	

R: Revised.

The figures included in this bulletin supersede those in earlier issues, and those for the most recent years are subject to further minor revisions as new source materials become available.

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DOMINION BUREAU OF STATISTICS

Labour and Prices Division