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Dominion Bureau of Statistics

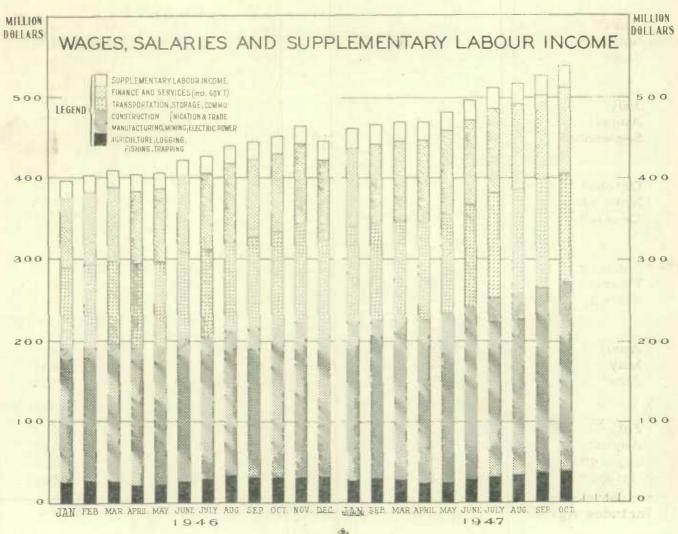
Department of Trade & Commerce

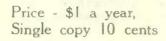
DOES NOT CIRCULATIONTHLY ESTIMATES NE PAS PRÉTEANADIAN LABOUR

DOMINION BUREAU OF STATISTICS FROMRTY OF THE

INCOME

January 1946 to October 1947







OTTAWA, CANADA January, 1948

MONTHLY ESTIMATES OF CANADIAN LABOUR INCOME

(\$ Millions)

dwiggueo	Agriculture,(1) Logging, Fishing, and Trapping	Manufacturing, Mining, and Electric Power	Con- struc- tion	Trans- portation, Storage, Communi- cations, and Trade	Finance and Services (incl. Gov't.)	Supple- ment- ary(2) Labour Income	TOTAL (3)
1946 January	25	152	14	97	87	21	395
February March	27 26	152 156	14 15	100	89 90	20 21	402
March	20	150	1.5	101	70	21	400
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April	22	154	16	102	89	20	404
May	22 26	151 156	19	103	91 93	20	405 421
June	20	150	21	105	93	21	421
July	29	154	22	107	94	21	427
August	33	157	23	109	96	22	439
September	3 1	160	23	112	97	22	446
October	31	165	23	114	97	23	454
November		171	22	118	99	24	465
December	32	157	17	117	99	23	446
1947 January	28	176	18	116	99	24	460
February	30	176	19	118	99	24	467
March	29	178	20	119	99	24	469
April	24	180	22	120	100	23	469
May	25	184	25	123	101	24	483
June	28	187	27	126	104	24	497
July	31	192	30	128	105	25	512
August	34	194	31	128	106	25	517
September		198	32	130	107	26	530
October	38	202	33	132	107	27	538

⁽¹⁾ Includes Agricultural Supplementary Labour Income.

⁽²⁾ Excludes Agricultural Supplementary Labour Income.

⁽³⁾ All totals are rounded to the nearest million independently. Therefore, the final total does not necessarily agree exactly with the sum of the estimates.

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MONTHLY ESTIMATES OF CANADIAN LABOUR INCOME

JANUARY 1946 - OCTOBER 1947

Receipts of wages, salaries and supplementary labour income by Canadian residents totalled \$538 million in October, 1947. This total was eight million dollars higher than that for September, and \$84 million or about 19 per cent higher than the corresponding total in October, 1946.

The largest increases in total wages and salaries from September to October took place in the manufacturing and logging industries. Labour income payments in these industries were three and four million dollars higher respectively. Although the estimate of labour income for agriculture showed a seasonal drop of almost three million dollars, total salaries and wages in almost all other industries were slightly higher in October than in September.

Although increases in employment and in the cost of living probably decreased the purchasing power of the average Canadian wage earner in October, as compared with September, it would seem that there was little overall change in consumer purchasing power in the first ten months of this year compared with 1946. To the end of October, monthly labour income payments have averaged about 18 per cent higher than those for 1946. The indexes of employment in nine leading industries from January 1 to November 1, have averaged about seven per cent higher than the annual 1946 figure, and the average of the cost of living index stood about nine per cent higher than that for 1946. Reductions in income tax charges which became effective on July 1, added somewhat more money to the take home pay of the Canadian wage earner, to some extent counterbalancing sharply rising prices toward the end of the period.

Components of Labour Income

Estimates of Labour Income include all wages, salaries and supplementary remuneration for employees' services, by months. Salaries and Wages include bonuses and commissions and are reckoned before deductions for income tax, employee contributions to unemployment insurance and employee contributions to other social security schemes. Supplementary Labour Income consists of all other employers' expenditures in cash or in kind that can be regarded as compensation for the employees' services. Examples of the latter are: employers' contributions to Unemployment Insurance; clothing and living accommodation or cash allowances for these provided by employers; and other benefits such as discounts and free insurance, etc. accruing to employees by reason of their employment.



Relation to the National Accounts

Labour Income is a major component of "Net National Income at Factor Cost", amounting to about 56 per cent of it in 1946. The relationship between Labour Income and other items in the National Accounts in the years 1938 to 1946 can be studied in the bulletin "National Accounts, Income and Expenditure, 1938-1946", Tables I and III.

Methods

Based on preliminary annual estimates for 1946, the monthly estimates are obtained by projection on indexes of month-to-month changes in salaries and wages in each industry and, where necessary, monthly indexes of supplementary labour income. In the major sectors the monthly indexes used are the indexes of "Aggregate Payrolls" published in the monthly D.B.S. bulletins on Employment and Payrolls. Some adjustments are made for the difference between the industrial classifications employed by the annual and decennial censuses on which the annual estimates are based and that used for monthly payroll indexes. In a number of sectors where no suitable indexes of payrolls are available, data relating to changing numbers of employees from the quarterly Labour Force Survey are used in conjunction with a variety of wage rate information to provide an index of payrolls. A full description of the concepts, methods and quality of the monthly estimates is set torth in the bulletin "Wages, Salaries and Supplementary Labour Income in Canada by Months, January, 1946 to April, 1947".

Revisions and Adjustments

The monthly estimates will be adjusted as annual estimates are revised, or new annual estimates become available, without however, destroying the continuity of the monthly series.