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Dominion Bureau of Statistics

Department of Trade & Commerce

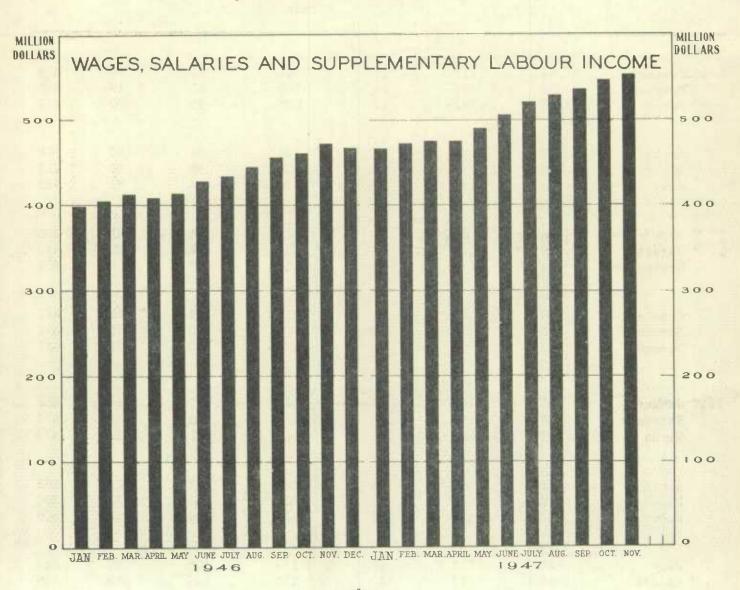


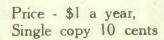
MONTHLY ESTIMATES

OF

CANADIAN LABOUR INCOME

January 1946 to November 1947







OTTAWA, CANADA February, 1948

MONTHLY ESTIMATES OF CANADIAN LABOUR INCOME

(\$ Millions)

1941		Agriculture, Logging, Fishing, Trapping, Mining	Manufac- turing	Construc- tion	Utilities, Trans- portation, Communi- cation, Storage, Trade	Finance, Services (which includes Govern- ment)	Supple - mentary Labour Income	TCTAL
1946	January	34	139	18	102	85	20	398
	February	36	138	18	105	87	19	403
	March	35	142	19	106	90	20	412
	April	32	140	21	106	89	20	408
	May	33	137	24	107	92	20	413
	June	36	141	26	110	94	21	428
	July	38	140	28	112	95	21	434
	August	39	143	29	114	97	22	444
	September	41	146	30	116	100	22	455
	October	40	151	30	119	99	22	461
	November	40	157	29	123	100	23	472
	December	40	159	24	122	100	22	467
1947	January	3 9	161	23	121	100	22	466
	February	38	163	25	123	101	22	472
	March	37	165	25	124	102	22	475
	April	33	166	28	124	102	22	475
	May	36	169	31	128	103	23	490
	June	40	171	35	131	106	23	506
	July	42	175	39	133	108	24	521
	August	45	177	40	133	109	25	529
	September	45	181	41	135	109	25	536
	October	48	185	42	137	109	26	547
	November	50	188	40	139	110	26	553

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MONTHLY ESTIMATES OF CANADIAN LABOUR INCOME

JANUARY 1946 - NOVEMBER 1947

Canadian labour income for the month of November, 1947, is estimated at \$553 million. This is \$6 million higher than the corresponding total for October, 1947, and \$81 million higher than the estimate of labour income for November, 1946.

Wage and salary payments were somewhat higher in the forestry, mining, trade and manufacturing industries. In manufacturing and mining, the increase of about \$4 million was principally a result of higher average weekly earnings. Considerable increases in both employment and earnings accounted for a \$3 million increase in forestry labour income, while an upswing in employment raised the total of wages and salaries in trade about \$2 million. A decline in labour income payments to agricultural and construction workers was brought about by seasonal influences on employment.

In this issue of Monthly Estimates of Labour Income, the industrial groupings of the salaries, wages and supplementary labour income have been changed. They now conform to a Standard Classification of Industries which is being adopted for the compilation of a wide range of statistical data issued by the Dominion Bureau of Statistics. There records include the 1946 Census of the Prairie Provinces, the quarterly Labour Force Survey, and certain statistics of unemployment insurance.

In re-grouping estimates of labour income for this industrial breakdown, the salaries and wages of government-controlled crown companies were placed in the industry to which the operations of the companies relate. The salaries and wages paid by railway shops, photography and shoe repair services were included with manufacturing, having been deducted from the transportation and services inudstries. Board and living allowances in agriculture are now estimated separately from salaries and wages and appear together with living allowances of other industries in supplementary labour income. Other changes take place within groups and do not affect figures in the published table.

An upward adjustment in the total of wages, salaries and supplementary labour income in the calendar year, 1946, has been necessary after new records of annual industrial earnings became available. The monthly estimates for 1947 are now projected forward from these annual totals. Since a revision in the basic annual figures involves an adjustment of the monthly figures, if the latter are to be comparable, the totals for each month of 1946 have been related to the revised annual figures. Further adjustments of the 1946 and 1947 monthly estimates may be necessary as final data on annual wages and salaries in industry become available.



Relation to the National Accounts

Labour income is a major component of "Net National Income at Factor Cost", amounting to 54 per cent of it in 1946. The relationship between labour income and other items of the National Accounts can be studied in the bulletin "National Accounts, Income and Expenditure, Preliminary, 1947". The preliminary 1947 figure for wages, salaries and supplementary labour income appearing in that publication is based on a comparison of the totals for the first ten months of 1946 with the same period of 1947.

Components of Labour Income

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. Exemples 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.

Methods

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.E.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 forth in the bulletin "Nages, Salaries and Supplementary Labour Income in Canada by Months, January, 1946 to April, 1947.