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Department of Trade & Commerce

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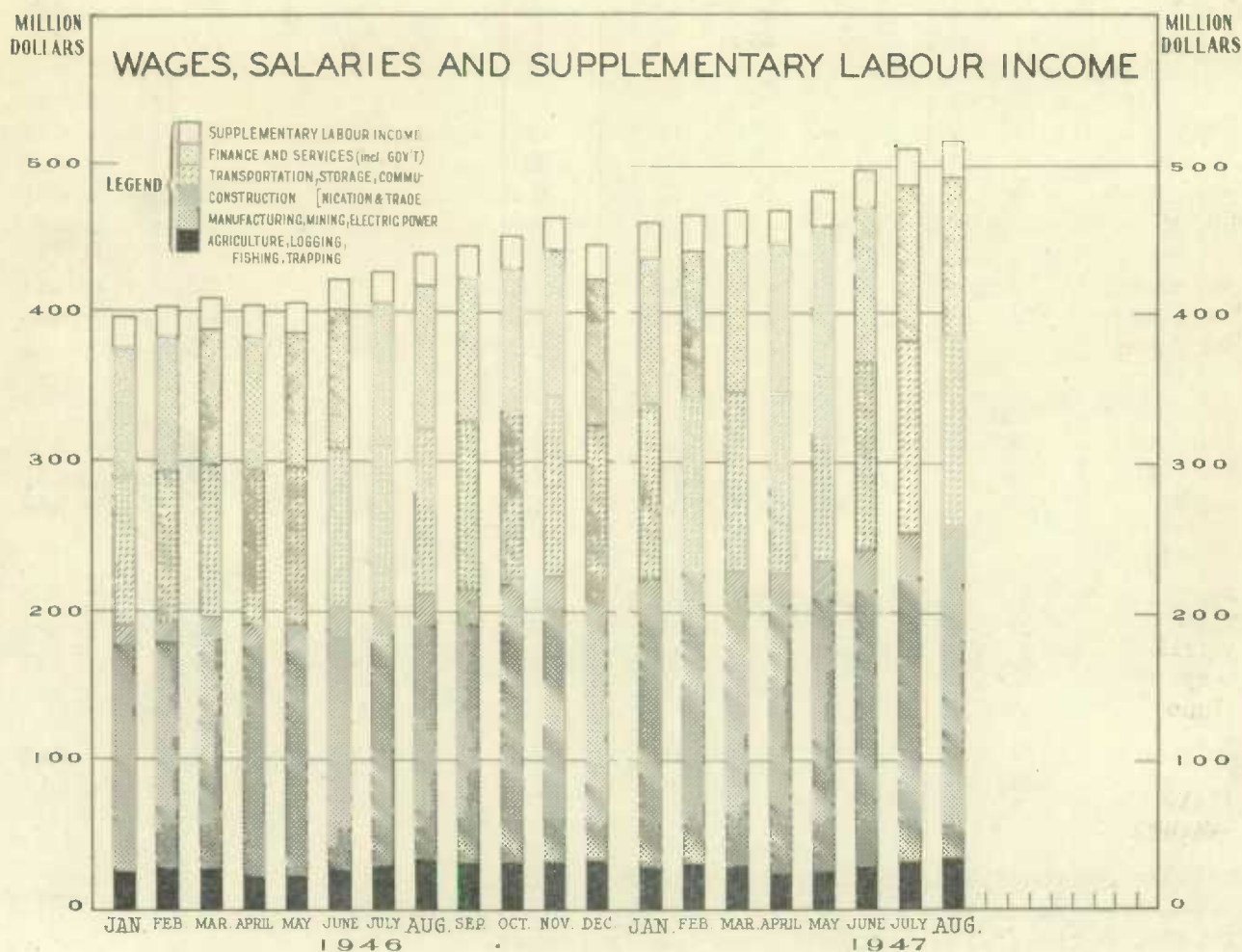
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MONTHLY ESTIMATES OF CANADIAN LABOUR INCOME

January 1946 to August 1947



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OTTAWA, CANADA
November, 1947

MONTHLY ESTIMATES OF LABOUR INCOME

(\$ Millions)

		Agri- culture(1) Logging, Fishing, and Trapping	Manu- facturing, Mining, and Electric Power	Con- struc- tion	Trans- portation, Storage, Communi- cations, and Trade	Finance and Services (incl. Gov't.)	Supple- mentary(2) Labour Income	TOTAL(3)
1946	January	25	152	14	97	87	21	395
	February	27	152	14	100	89	20	402
	March	26	156	15	101	90	21	408
	April	22	154	16	102	89	20	404
	May	22	151	19	103	91	20	405
	June	26	156	21	105	93	21	421
	July	29	154	22	107	94	21	427
	August	33	157	23	109	96	22	439
	September	31	160	23	112	97	22	446
	October	31	165	23	114	97	23	454
	November	31	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

(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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DEPARTMENT OF TRADE AND COMMERCE
DOMINION BUREAU OF STATISTICS - CANADA

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MONTHLY ESTIMATES OF LABOUR INCOME

JANUARY 1946 - AUGUST 1947

The total of wages, salaries and supplementary labour income received by residents of Canada in August, 1947, was \$517 million. Continuing an almost unbroken series of increases since January of this year, the August total was five million dollars higher than the corresponding July figure, and \$78 million more than in August of 1946.

A comparison of this total with other statistics for the months of July and August reveals that the index of employment in nine leading industries showed a percentage increase between August 1 and September 1 almost as great as that for labour income. This indicates that while there were more people employed, there was probably little change in workers' remuneration. There was a two per cent rise in the cost of living index from August 1, to September 2. In the months of July and August, the total of "take-home" pay presumably was increased to some extent by lower personal income tax rates which came into effect on July 1.

Greater payments of labour income in the manufacturing, agricultural and construction industries accounted for most of the increase in the August total over that for July. There was little change in the wages, salaries and supplementary labour income earned in other Canadian industries.

The total of labour income in the first eight months of 1947 was \$3,874 million as compared with \$3,301 million in the same period of 1946.

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 forth 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.