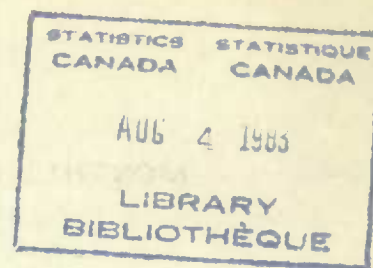


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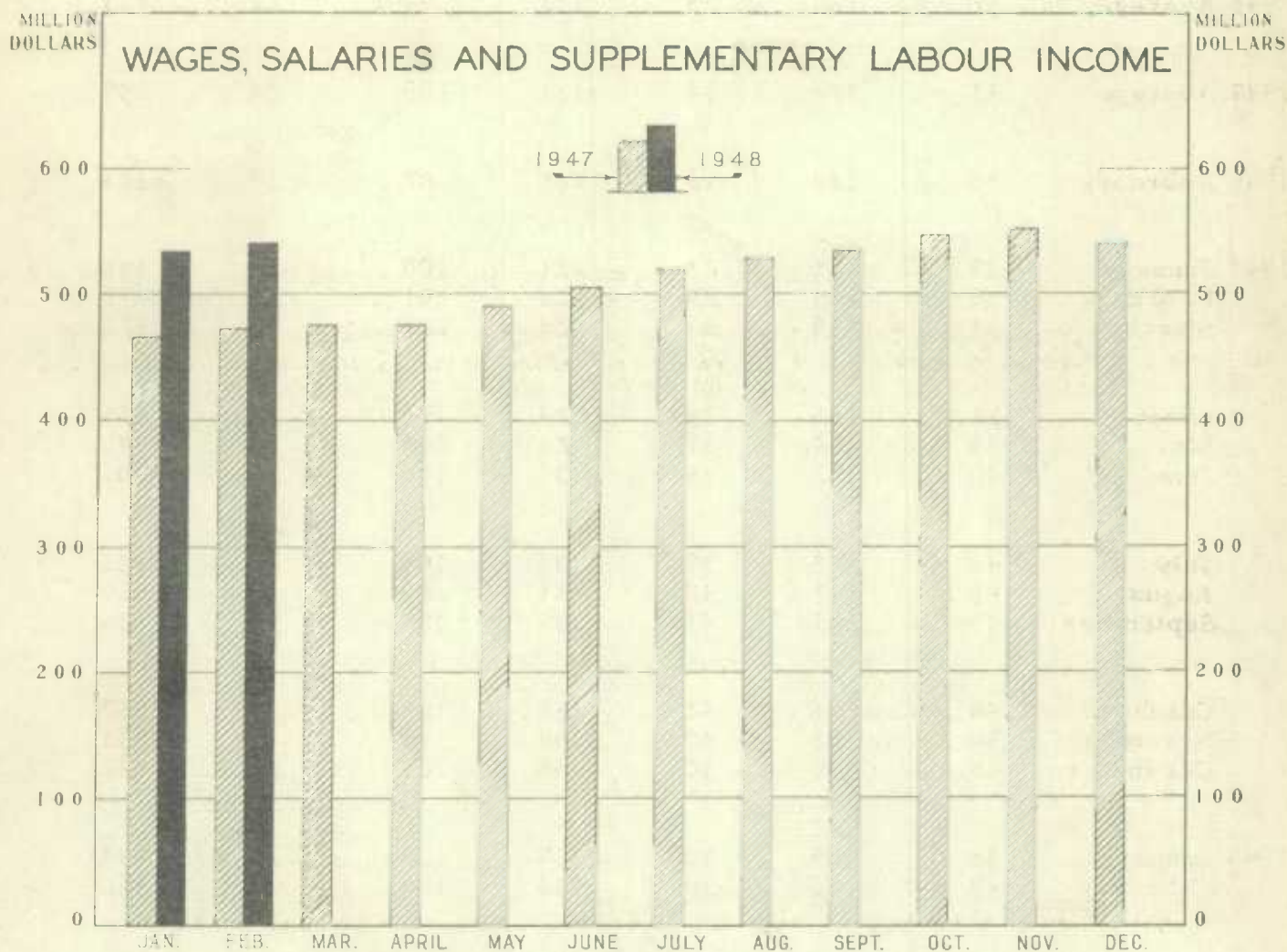
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Dominion Bureau of Statistics
Department of Trade & Commerce



MONTHLY ESTIMATES OF CANADIAN LABOUR INCOME

February 1948



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OTTAWA, CANADA
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MONTHLY ESTIMATES OF CANADIAN LABOUR INCOME

(\$ Millions)

Year	Agriculture, Logging, Fishing, Trapping, Mining	Manu- fac- turing	Con- struc- tion	Utilities, Trans- portation, Communi- cation, Storage, Trade	Finance, Services (which includes Govern- ment)	Supple- mentary Labour Income	TOTAL
1946 Average	37	144	25	112	94	21	433
1947 Average	42	174	34	131	106	24	509
1946 February	36	138	18	105	87	19	403
1947 January	39	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
December	48	187	32	140	109	25	541
1948 January	48	185	30	138	108	25	534
February	48	190	30	138	108	26	540

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MONTHLY ESTIMATES OF CANADIAN LABOUR INCOME

Canadian labour income in the month of February, 1948 is estimated at \$540 million. This total of wages, salaries and supplementary labour income is \$6 million higher than the corresponding total for January, 1948, and \$68 million or 14 per cent greater than that estimated for February, 1947.

The increase in labour income payments from January to February was almost all due to manufacturing. Higher averages of weekly earnings and a slight gain in employment caused a \$5 million rise in the gross income of employees in this group. Average weekly earnings rose two per cent from \$39.38 on February 1 to \$40.19 on March 1. There was also a rise of 1.0 in the index of employment of manufacturing over the same period.

Although increases in average weekly earnings were recorded in construction and logging, the gains were counterbalanced by slightly lower employment in these industries with the result that no change resulted in the labour income.

Indicators of total domestic purchasing power which had been showing a moderate decline since November, 1947, tended to level off in February. The increase in labour income was relatively larger than that of the Dominion cost-of-living index. This index rose only one-half of one per cent from 150.1 on February 2 to 150.8 on March 1, this year.



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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

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.

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.B.S. bulletin 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".